Daily Report

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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Russia's Churkin on Lifting of UN Sanctions *[Belgrade Radio]* 1
Meets With Ethnic Hungarian Leader *[TANJUG]* 1
Comments on Izetbegovic Absence in Geneva *[TANJUG]* 1

ALBANIA

European Parliament Speaker Addresses Parliament *[ATA]* 2
Discusses EC Support With Berisha *[ATA]* 3
Meets With Prime Minister Meksi *[ATA]* 4
Meets With Foreign Minister Serreqi *[ATA]* 4
Transportation Protocol Extended With Macedonia *[ATA]* 5

BULGARIA

SDS Explains No-Confidence Vote *[DEMOKRATSIYA 15 Jul]* 6
BSP Official Favors Confederal B-H *[Belgrade TV]* 8
Croatia Supports Demand for Embargo Compensation *[BTA]* 8
Foreign Companies Ready To Prospect for Minerals *[BTA]* 8
Inflation Rate 4.1 Percent in June *[BTA]* 9
Macroeconomic Situation Reported *[BTA]* 9
Private Sector Growth Termed as 'Slow' *[BTA]* 10

CZECH REPUBLIC

Report Analyzes Nuclear Cooperation With DPRK *[RUDE PRAVO 19 Jul]* 11
Klaus Interviewed on Minorities, Coalition *[Prague Radio]* 12
Kocarnik: Slovakia Questioning CSFR Bank Operations *[CTK]* 13
Kocarnik Interviewed on Division of Federal Property *[TELEGRAF 17 Jul]* 13
Dlouhy Foresees 'Aggravation' of Economic Development *[CTK]* 14
Employers and Unions Demand Tripartite Meeting *[CTK]* 14
Situation Forcing Farmers Into Disobedience *[CTK]* 14
Minister Rejects Farmers' Campaign *[CTK]* 15
KSCM Voices Apprehension About Anti-Communist Law *[CTK]* 15
Law on Illegality of Communist Regime *[CESKY DENIK 12 Jul]* 15

SLOVAKIA

Meciar Cites Achievements Since Sovereignty *[REPUBLIKA 19 Jul]* 17
Minister Evaluates Work of Finance Ministry *[NARODNA OBRODA 17 Jul]* 17
Contents of Antall Letter to Klaus Cited *[REPUBLIKA 17 Jul]* 18
Almost Two-Thirds of Companies Operate at Loss *[HOSPODARSKE NOVINY 19 Jul]* 18
Troops for Croatia, Mission to Nagorno-Karabakh *[Bratislava TV]* 18

HUNGARY

Antall's Health Takes 'Sudden Turn' for Worse *[AFP]* 19
Gonez Holds Talks With Indian President *[MTI]* 19
Toasts Exchanged at Dinner *[MTI]* 19
Jeszenszky, Slovak Minister View Relations *[NEPSZABADSAG 19 Jul]* 20
Transport Minister Receives Slovene Counterpart *[MTI]* 21

Number Living Below Subsistence Level Increases *[NEPSZABADSAG 20 Jul]* 21

POLAND

Opinion Poll Shows Four Parties Hold Lead *[RZECZPSOPOLITA 20 Jul]* 22
Industry Minister Views 'Rifle Affair' *[WPROST 18 Jul]* 22
Planned Defense Industry Strike Suspended *[Warsaw Radio]* 24
Situation of Arms Industry Enterprises Described *[RZECZPOSPOLITA 16 Jul]* 24
Defense Minister To Run for Parliament *[Warsaw Radio]* 25

ROMANIA

EC Delegation, Melescanu Discuss Ties *[Bucharest Radio]* 26
Iliescu Meets With Delegation *[ROMPRES]* 26
Nastase on PDSR's Platform, Goals *[CURIERUL NATIONAL 13 Jul]* 26
Labor Office Reports Unemployment Statistics *[ROMPRES]* 27

BALKAN CRISIS ROUNDUP

Foreign Media Bulletin: Balkan Crisis 21 July 28

BOSNIA-HERZEGOVINA

Serb Offensive at Mt. Igman Continues 29
'Considerable' Muslim Losses *[TANJUG]* 29
Izetbegovic Calls For Intervention *[Sarajevo Radio]* 29
Muslim 'Counteroffensive' *[Sarajevo Radio]* 29
Serbs Continue Attacks *[Zagreb Radio]* 29
Muslims Continue Attacks *[Belgrade Radio]* 30
Muslim Villages 'Torched' by HVO *[TANJUG]* 30
Muslim Army Attacks on Bugojno Continuing 'Unabated' 30
Dozens of Muslims Killed *[Zagreb Radio]* 30
HVO Recaptures Villages *[Zagreb Radio]* 30
Brcko Front Lines 'in Flames'; 3 Serb Tanks Destroyed *[Sarajevo Radio]* 31
Fighting in Tuzla, Bihac, Konjic, Hadzici, Maglaj *[Sarajevo Radio]* 31
Ethnic Cleansing by Croats Reported Near Mostar *[AFP]* 32
Mostar Muslims Issue Peace Declaration With Croats *[VECERNJI LIST 13 Jul]* 33
Pejanovic Says B-H Delegation Ready To Compromise *[Sarajevo Radio]* 34
Krajisnik Predicts Change in Muslim Leadership's Stance *[TANJUG]* 35
Karadzic: Any Agreement Conditional on Lifting Sanctions *[Belgrade Radio]* 35
Muslim Position 'Hopeless' *[TANJUG]* 36
UNPROFOR Report of Meeting With Mladic Condemned *[Sarajevo Radio]* 36
Presidency's Geneva Negotiating Platform *[TANJUG]* 37
Pejanovic Rejects 'Ethnic Principle' in Solving Crisis *[Sarajevo Radio]* 38

CROATIA

Tudjman, Claes Stress Efforts for Peace *[Zagreb Radio]* 39
UNPROFOR Commander Hails Croatia-RSK Accord *[TANJUG]* 40
Krajina Serbs Claim Croats Deploying Fresh Forces *[Belgrade Radio]* 40
Croats Deploying Forces in Maslenica *[TANJUG]* 40
Relief Over EC Decision Not To Impose Sanctions *[Zagreb Radio]* 41
Karadzic Exhortation To Counter 'Fundamentalism' *[TANJUG]* 41
Need for Croatian Serbs To Accept Minority Status *[DANAS 2 Jul]* 42
Situation Deteriorates in UNPA Sector West *[VJESNIK 8 Jul]* 43
Djapic Interviewed on Split in HSP *[VJESNIK 3 Jul]* 45

YUGOSLAVIA

Federal

Visa Requirements for Slovenes Introduced *[TANJUG]* 47
Official on Requirements *[TANJUG]* 47
Imminent Economic Collapse Predicted *[NIN 25 Jun]* 47
Disputes About Succession Issues *[NIN 11 Jun]* 49

Serbia

NSS Leader Critical of Opposition *[NIN 11 Jun]* 51
Program of Association of 'Real Serbs' *[NIN 25 Jun]* 54
Opposition Seen Helpless, Divided *[NIN 25 Jun]* 54
Commentary on Police Repression in Serbia *[NIN 11 Jun]* 55

Macedonia

UN Commander on Importance of Events in Kosovo *[ATA]* 57

Montenegro

Possible DPS, SPS Unification Viewed *[NIN 9 Jul]* 57

Kosovo

Official Urges Butrus-Ghali To Prevent Outbreak of War *[ATA]* 59
Rugova Addresses Increasing Serbian Oppression *[KOSOVA DAILY REPORT]* 59
Serbian Police Raid Homes of Albanian Families *[KOSOVA DAILY REPORT]* 60
Serb Police Storm Marketplace in Mitrovica *[KOSOVA DAILY REPORT]* 60
Serb Police Start 'Fierce Campaign' in Malisheve *[Tirana Radio]* 60
Deputy Raznatovic Pays Visit to Kosovo *[NIN 25 Jun]* 60

Russia's Churkin on Lifting of UN Sanctions

AU2007161293 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 20 Jul 93

[Slavko Pusic report from Novi Sad]

[Text] At the beginning of the reception for Russian Deputy Foreign Minister Vitaliy Churkin and Russian Ambassador [to FRY] Shikin, Milutin Stojkovic, chairman of the Vojvodina Assembly, stressed that the political situation in this province is good. We are doing everything possible for the situation to remain stable and for Vojvodina always to remain part of Serbia, Stojkovic said.

After briefing Churkin on the economic situation and the consequences of the economic blockade, Spaso Komad, deputy prime minister of the provincial government, asked him to help Vojvodina firms collect debts of $900 million from their partners in the former Soviet Union.

The other deputy prime minister, Stojan Berber, stressed that all issues are discussed with members of other parties and national minorities, but that talks on secession are out of the question. Information Secretary Ljubomir Lukic spoke about the consequences of the information embargo on Serbia and Yugoslavia. Vitaliy Churkin was asked for Russia's help in lifting or partially lifting the sanctions. According to Churkin, they will be lifted when peace is achieved in Bosnia, and this day is not far away.

Commenting on his talks with Tudjman and Milosevic and his visit to Sarajevo, Churkin, speaking to a group of domestic and foreign journalists—who had previously held a talk in the Executive Council of Vojvodina on the rights of the national minorities—again expressed optimism about the conclusion of the war in Bosnia. He said:

[Begin Churkin recording in Russian with superimposed Serbo-Croatian translation] Everything will then normalize itself. There will be no sanctions, and [words indistinct] relations between Yugoslavia and Russia. We are ready for that. We spoke about this yesterday with President Lilic. [end recording]

After his meeting with journalists, Churkin held talks with the representatives of the Democratic Community of Vojvodina Hungarians led by their leader Andros Agoston, who briefed him on their efforts to establish autonomy for this national minority.

Churkin said that new political initiatives and goals that were unrealistic several years ago are now reemerging. He said that everything should be done now to save everything that was good in the past, and that the announced dialogue with Serbian President Slobodan Milosevic about these issues should be held.

Meets With Ethnic Hungarian Leader

LD2007155293 Belgrade TANJUG Domestic Service in Serbo-Croatian 1311 GMT 20 Jul 93

[Text] Novi Sad, 20 Jul (TANJUG)—During his brief working visit to Novi Sad today, Russian Deputy Foreign Minister Vitaliy Churkin had talks with Andras Agoston, chairman of the Democratic Community of Vojvodina Hungarians [DZVM], on the position of ethnic Hungarians in Vojvodina.

The high-ranking official from Moscow called for dialogue between the DZVM and Belgrade authorities, who should express mutual appreciation and tolerance. He recalled that we live in a turbulent time when changes are quick and when political goals that only a few years ago seemed totally unrealistic are being set.

Churkin said that on several occasions he discussed Vojvodina with Serbian President Slobodan Milosevic, who said each time that he was ready for a dialogue to find reasonable solutions.

Agoston recalled that a letter had been sent to Milosevic two years ago asking that the Serbian Government set up a working group to examine all open questions with DZVM representatives. "We are waiting for this idea to be realized. We are ready to wait, but not to give up our demand for a three-level autonomy, since we are convinced that it is only through this that we can secure the national integrity of Hungarians in these areas," Agoston said.

The talks in the assembly of the autonomous province of Vojvodina were attended by Russian Ambassador to Belgrade Gennadiy Shikin and DZVM Vice Chairman Janos Vekas.

Comments on Izetbegovic Absence in Geneva

LD2007181793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1346 GMT 20 Jul 93

[Excerpt] Novi Sad, 20 July (TANJUG)—Russian Deputy Foreign Minister Vitaliy Churkin said today that Alija Izetbegovic's refusal to attend the Geneva talks due to the alleged Serb offensive in the Sarajevo area is not sufficiently justified, because the Muslim side is also on the offensive on other fronts.

During a news conference during today's working visit to Novi Sad, Churkin said that he expects the Geneva talks to continue as early as the end of this week, and added that improved understanding between Croatia and Serbia, i.e. between Zagreb and Knin is encouraging.

The Russian deputy foreign minister expressed hope that the sanctions against Yugoslavia will soon be eased, and then lifted, but only on condition that peace in Bosnia-Herzegovina is first restored. [passage omitted]

European Parliament Speaker Addresses Parliament

AU2007203093 Tirana ATA in English 1851 GMT 20 Jul 93

[Text] Tirana, July 20 (ATA)—On July 20, before noon, the speaker of the European Parliament, Dr. Egon Klepsch, went to the Albanian Parliament, where he was received by the speaker of the Albanian Parliament, Pjeter Arbnori, and the chairmen of the parliamentary groups. Present in the hall were the deputies of all the parliamentary groups. The President of the Republic Sali Berisha was also present.

In his speech of welcome, the speaker of the Albanian Parliament, Pjeter Arbnori, considered the visit of the speaker of the European Parliament to Albania as an evaluation of the pluralist democracy in Albania. The material aid provided by the European Community is very significant and we thank the European Parliament for the positive recommendations it has given for Albania, he said. We also value contacts with all the European parliamentary organisations, because they provide us with the political, juridical, and parliamentary experience which is so indispensable.

We have always needed friends to help us for justice, only, and the honourable Egon Klepsch is such a friend, Mr. Arbnori said.

The Address of Mr. Egon Klepsch

"It is a great honour and pleasure for me to be given the opportunity to be your friend in the Albanian Parliament, the opportunity to talk with you. I cordially thank you [words indistinct] in beginning of this road and are preparing to join the other peoples of the European Community. The old political and economic structures of your country were destroyed. After 45 years of communism and existence of state economy, a radical change has taken place in all your foundations, in the principles of democracy and market economy. But the structures of a state cannot be changed daily. All of you, the citizens of this country, as well as all the citizens of Central and Eastern Europe have undergone this bitter experience. The Albanian people have decided to march on the democratic road. We, the European Community, first of all, the European Parliament, are the guarantors for all your democratic bases and will do everything possible to smooth out the difficult road of your country for a better future. We all are interested to build a new uninterrupted economic and political life, within all the set norms."

The dreams awakening in the beginning of the 90's unfortunately were not fulfilled, Mr. Klepsch said further on. After the destruction of the Berlin Wall, the dismantling of the Iron Curtain, the downfall of the Soviet Empire, and the overthrow of communism, the Cold War ended. However, there have been noticed many factors of insecurity in this period. The war in the Balkans, unrest in the countries of the former Soviet Union, conflicts in Asia and in the countries of Latin America, provide an example which shows that efforts for peace should be the main constant goal. The 12 member countries of the European Community and the seven most industrialized countries of the world must be aware of their important task and the role they must play in this region. This is a major task which should be a model for democracy and the democratic developments.

The European Parliament, which is on the eve of its 50th anniversary, is conscious of all the democratic developments and is responsible for all the citizens. The European Community was created to halt the continuous wars between Germany and France. We wanted to create such an organisation, which would make us cooperate constantly and we succeeded in this. So, we not only did not have armed conflicts between us, but managed to create a very good joint economy. The main thing is that we all had the good desire to cooperate.

The European Community, especially the European Parliament, are ready to integrate the Republic of Albania into the democratic community of the nations. I have clearly stated this opinion since my first meeting with the Albanian President Berisha in Brussels soon after his election and in the visit of the delegation of the Albanian Parliament presided over by the Speaker Arbnori in May last year in Strasbourg.

From the very beginning, the European Parliament has backed up the new developments in Albania. We want to provide you with concrete help to overcome hardships and solve the great economic and social issues. Our goal is to lay the necessary base for the social economic market to function and contribute to the development of democratic processes, which will base on the right and freedom and the rules of the state. We are aware of the hardships that your country and people have to overcome to get completely free from the grave heritage of the communist dictatorship.

The new relations between the European Community and Albania took a new impulse after the agreement signed in 1992 in the field of cooperation in trade. The European Parliament endorsed this agreement last September. This agreement promotes trade relations and provides technical support for economy and trade policy. This will offer opportunities to establish an associate contract between Albania and the European Community. The European Community launched strained efforts to remedy the backward economy of Albania. Since the very beginning, we are interested in G-24 action to support the democracy in Central and Eastern European Countries and resolutely interfered to include Albania in this program. In the context of G-24, its member countries provided 80 percent of the financial aid. This clearly indicates the solidarity of these countries with the Central and East European Countries. With the same aim and desire to help the economy and human potential of these countries, the European Community launched concrete action and in this framework, Albania enjoys its support. But you, too, have to play an important role to develop and rebuild Albania. You had

a hard start and attained important results and the countries of community are aware of this. I want to remind you only one thing. For some months, inflation in Albania is zero and we appreciate this, because we, too, could hardly attain this. This is a success of your economic projects. I am aware that you should take other great efforts and we will help you further develop your country.

Albania is situated in a very important geographic position, said Mr. Klepsch. Last year, in April, President Berisha voiced the desire of Albania to become a member of the NATO Western Defence Block. After the overthrow of communism in the Soviet Union, we have a commitment to realise. We shall seek to build up a very reliable world system and I hope Albania will make its valuable contribution to this. Recently, an incapability of all the international organizations to prevent war in former Yugoslavia has been noticed. We criticise the European countries whose policy lacks the necessary means to cope with this situation. The Maastricht of 1991 is such an agreement, whose aim is to attain this goal, that is, to establish peace in Europe. That is why the European Parliament puts pressure that this agreement be ratified so as to reach the final aim as soon as possible.

My visit in Tirana should be regarded as a political signal and as an attempt to restore peace throughout the region. The European Parliament exerts powerful influence to establish a democratic Europe on the basis of solidarity, with the only aim, constant peace and well being. Albania, too, must be part of this Europe. My visit here is part of this desire and will.

The European Parliament follows with great concern the situation of the Albanians in Kosova and has persisted in observing their rights. We know that writer Adem Demaci, awarded with the prize Sakharov, has been imprisoned for a long time. I want to express my solidarity with this issue. On July 15, 1993, the European Parliament stressed that the good relations between Albania and Greece and the other countries are very important for the region. I am glad Albania pursues such a policy on whose basis lie the human rights and the rights of minority groups. I am also pleased to observe that you set the example of the co-existence and cooperation among different religious faiths. This is a good policy. I assure you that everyone welcomes your policy in Europe. It also sets tasks, such as to observe the rights of the minority, to practise the mother tongue, etc. With the expulsion of the Albanians from Greece, we asked the two governments to cooperate with each other through understanding conform the Human Rights Charter. I hope that the observation of these principles will bring about the elimination of the new tensions created between Albania and Greece.

I have delightedly observed that the relations of Albania, of its political leaders, and the representatives of the Albanian Parliament with the European Parliament are very good. The economic and political problems of your country were very well clarified since the first interparliamentary meeting and in the second meeting of the representatives of the European Parliament and the Albanian Parliament in July 1992 in Tirana and in the meeting of May 1993 in Strasbourg. I hope that in the coming meetings, which I wish will be numerous, we will always find the road to the concrete solution of the questions and support each other.

We need a European Community to overcome the problems of various peoples and you are an important link of the community of the European peoples. Therefore, solidarity is not an empty word, but the law of our co-existence. We, the Europeans, must show to the whole world that united, we are able to build a very good common [word indistinct], the speaker of the European Parliament, Egon Klepsch, said in conclusion.

Discusses EC Support With Berisha

AU2107063193 Tirana ATA in English 1905 GMT 20 Jul 93

[Text] Tirana, July 20 (ATA)—In the meeting with the speaker of the European Parliament, Egon Klepsch, the President of the Republic Sali Berisha expressed his thanks to the European Parliament and the countries of the European Community for the extremely great aid they have rendered to Albania in this rather difficult and delicate period of its history. "I had the special honour and pleasure," he said, "to have my first visit as a statesman in the European Commission, the European Parliament, and the Council of Europe. I came to you to voice the resolution of Albania to build its rule of law and the market economy, I came to you to ask for your great help for Albania. In that meeting, I insisted that European Community should consider Albania as a special case. And for all this, I found full understanding. I once more underline that, without your aid, without the generous aid of the European Community and the member countries of this community, democracy was not going to win and consolidated in Albania. We also asked you to consider Albania a special case and you treated it as such. I also have the pleasure to inform you that Albanians in general and the Albanian Government responded to this consideration with unseen courage and dignity. They accepted to make great sacrifices in the name of the better future. They accepted the pains of the reform and the strict observation of all agreements with the European Community, the International Monetary Fund, and the World Bank. I assure you that in the future, Albania will loyally observe all the signed agreements. Even in this stage of development, our joint efforts to separate from the program of emergency aid should be materialised with agreements of economic cooperation, with the completion of the associate agreement with Albania and I would like to say in particular that Albania should continue to be treated as a special case. If you throw a glance in what we inherited in infrastructure, it is clear that proceeding from this criterion, Albania is in a worse situation than many other countries to which the EC is giving aid. The soonest

possible integration of our country in the Program of Action of the European Bank of Investments and of the European Bank for Reconstruction and Development would be a great help for us. Above all, I would like to ask the European Community to create possibilities for us to exploit the reserves and possibilities of our country and people."

In Brussels, a year ago, I told you that the establishment of the rule of law in Albania was a priority goal. In this regard, respect for minority people takes a special place. We are committed to observe the rights of the Greek minority who are directly represented in the parliament. Additionally: you can see many minority representatives in all links of the Albanian state, and no discrimination exists for them. To support this, I would like to ask you to send a parliamentary delegation in Albania to investigate the situation of the Greek minority in Albania. I will also ask that this question be examined by the CSCE special envoy for the minorities, Van der Stoel. We feel sorry that lately, this minority people has been exploited by the Greek government to step up pressure and to destabilize the south of the Balkans. However, Albania sticks to normalization of relations, but it could not tolerate the chauvinism of its neighbours. We remain a factor of stability in this region and our aim is peace and integration. But we also cannot but voice our worry for the creation of alliances which have historically brought about conflicts and quarrels in our peninsula.

The speaker of the European Parliament, Mr. Egon Klepsch, said that in this visit to Albania, he will have possibilities to see things not from letters and reports, but concretely. He considered surprising the last year's achievements in economy, especially the reduction of inflation to zero. "I am convinced," Mr. Klepsch said, "that Albania is on the right road and that it will become better and better. I also assure you that you will have our full and permanent support; the European Parliament has two sacred things, one related to borders that should not be changed and second, the observation of human rights. From the meetings I had, I may draw the conclusion that there is not any religious problem in Albania and with the co-existence of different religions, you make a valuable contribution to human mankind. I particularly value the role of Albania as a factor of peace and stability in the Balkans." For this, he said, we voice our confidence in you.

I may assure you that from now on, I will make known what I learned in Albania, so that the situation and problems of your country become known in Europe.

Meets With Prime Minister Meksi

AU2107063293 Tirana ATA in English 1908 GMT 20 Jul 93

[Text] Tirana, July 20 (ATA)—In the meeting with the speaker of the European Parliament, Egon Klepsch, the Premier of Albania Aleksander Meksi presented the actual economic and political situation of his country. He asked for a further political and economic support.

Speaking of the recent events between Albania and Greece, member of the EC, Mr. Meksi said that "we expect these problems with the Greek Government be solved through dialogue and understanding." "We," he added, "are of the opinion that this tension suddenly created between our two countries, has perhaps its source in the new electoral campaign underway in Greece, and perhaps deeper."

The Albanian premier asked Mr. Klepsch for continuation of food aid for Albania until next summer. Mr. Meksi insisted that the EC aid be concentrated in infrastructure as well.

Mr. Klepsch assured Mr. Meksi of a greater aid for the Albanian infrastructure. Regarding political support, Mr. Klepsch said that "it will be permanent because we consider Albania a bastion of peace in the region."

Meets With Foreign Minister Serreqi

AU2107063393 Tirana ATA in English 1913 GMT 20 Jul 93

["'Albanian Policy on Minorities Is Excellent'—Mr. Klepsch Declares in the Meeting With the Foreign Minister Serreqi"—ATA headline]

[Text] Tirana, July 20 (ATA)—In the meeting with Mr. Klepsch, the Albanian foreign minister pointed to the importance of such a visit not only for the fact that Mr. Klepsch is a high personality but also for the moments when it is taking place. He stressed that "Albania has now taken a road of development, but we should not forget the past so that not to commit the same mistakes. Albania recognizes the civilized world just like Europe should recognize it."

Minister Serreqi stressed that Albania has made clear the position of the minority in Albania. It offers unconditional dialogue in bilateral relations. "We," he said, "are for an open policy and Albania invites anyone to see the Albanian reality himself."

Mr. Klepsch voiced his satisfaction for the open dialogue and information from the Albanian party and stressed that he would do what he could to present this reality in the European circles. "We need to have Albania on our side, he stressed, because now she pursues a moderate policy on the questions in the region, especially regarding Macedonia and Kosova." Concerning the question with Greece, he voiced the conviction that the difficulties created will be overcome soon and with maturity.

In regard to the Albanian policy on the minority people, Mr. Klepsch said that "there is no doubt that it is excellent and I will have the chance to declare this to the Orthodox Church here. I also may say that now Albania is a country accepted in the international community and that its policy is being respected."

Transportation Protocol Extended With Macedonia

AU2007172293 Tirana ATA in English 1011 GMT 20 Jul 93

[Text] Tirana, July 20 (ATA)—Recently, in Pogradec city, the Albanian minister of transportation, Mr. Fatos Bitincka, met with the minister of transportation of the former Yugoslav Republic of Macedonia, Antoni Pesev. Responding to the impetuous development of transportation, the two parties decided to extend the term of the joint protocol so that the respective groups of experts prepare the road agreement between the two countries within a year. The Macedonian minister informed the Albanian party that the Macedonian Government had approved the demand of the Albanian party to recognize the green card, which frees the drivers of the Albanian vehicles from the assurance [insurance] payment in the Macedonian territory.

Both parties agreed that the Skopje-Tirana airline and vice versa begins in August. In this context, the respective air experts will study the possibility of reducing airport tariffs and taxes, for a favourable ticket price. The same problem will also be examined to put into operation an Ohrid-Pogradec freighter. The Macedonian minister reported that he had addressed to the international organisations to ensure financing for the west-east corridor, which mainly passes through Albania. Bulgaria, too, has made such a request.

The Albanian minister proposed that the two countries reciprocally lift the system of visas and payments for the citizens' movement from one state to the other, a proposal which, according to the Macedonian minister of transportation, will be examined by the Macedonian Government.

SDS Explains No-Confidence Vote

AU2007132193 Sofia DEMOKRATSIYA in Bulgarian 15 Jul 93 p 3

["Motivations of the Union of Democratic Forces Parliamentary Group in Support of the No-Confidence Proposal Against the Government"]

[Text]

Unjustified Actions of the Government in Connection With the Negotiations on the Foreign Debt Which Are Damaging the Country's National Interests

On the basis of an announcement released by the government's press center and read by government spokesman Raycho Raykov on 30 June 1993, the Council of Ministers, in a meeting behind closed doors with the participation of representatives of the Bulgarian Socialist Party [BSP], the Rights and Freedoms Movement [DPS], and the New Alliance for Democracy [NSD] parliamentary groups, adopted a decision to "temporarily postpone the partial payment of interest rates on the foreign debt with creditor banks of the London Club until 1 September 1993.... In case the creditor banks should substantially change their attitude by taking into account Bulgaria's financial difficulties, and especially those related to the observance of the embargo, the cabinet expressed its readiness to propose that parliament should take the relevant decision on payments for the second and third quarters of the year," the announcement further reads.

The announcement was released for the Bulgarian and foreign mass media. In the "Response" [Otzvuk] television program Mr. Asen Michkovski, chairman of the parliamentary Economic Commission, who participated in the aforementioned meeting, described the government's decision as extremely topical and useful. Our Bulgarian public and the public abroad were persuaded that the government is taking a very important decision comparable with the March 1990 moratorium on the rescheduling of the debts with creditor banks. Western commentators declared the decision as the event of the week and described it as an expression of hardened positions and unwillingness to conduct constructive negotiations, while the domestic commentators evaluated the decision as a new move in the talks on the settlement of the debt and as a resolute change of attitude.

As a matter of fact, such a decision should not have been taken. Following 29 March 1990, the Bulgarian government stopped paying interest rates on the debts of the Bulgarian Foreign Trade Bank toward the creditor trade banks. On the basis of a decision of the National Assembly (published in DURZHAVEN VESTNIK on 31 January 1992), in accordance with Article 84, Paragraph 9 of the Constitution, it is agreed that the Council of Ministers should conduct negotiations and sign agreements on unsettled debts of the Bulgarian Foreign Trade Bank, following the moratorium announced on 29 March 1990. "In case of a substantial reduction of the debts, in case of a long-term rescheduling of payments, and in case of a sufficiently long moratorium permitting the stabilization of the country's balance of payments and the repayment of debts in accordance with the possibilities of the Bulgarian economy, parliament authorizes the Council of Ministers to reschedule its obligations on the basis of agreements as contracts for loans with foreign financial institutions and to issue state bonds," the decision further reads. Hence, it is evident that **the Bulgarian state has not assumed this commitment on the basis of a relevant act and is authorized to pay interest rates on the debt in question. This can only be done after the ratification of a relevant agreement by the National Assembly.**

The Law on the Amendment of the 1992 State Budget Act (published in Issue No. 80 of DURZHAVEN VESTNIK on 3 October 1992) approves individual "payments for interest rates by the Bulgarian Foreign Trade Bank to private creditor banks of the London Club amounting to 1,850 million leva [Lv]." The motivations for amending the Budget Act were that payments are aimed at creating favorable conditions in view of future agreements. This means that the amounts approved represent a partial payment of interest rates by the government to the creditor banks. If the aforementioned amounts really represented such payments, the law would not expressly mention that the interest rates should be paid by the Bulgarian Foreign Trade Bank and such an index would not be created, while the expenditure would be referred described as "foreign debt interest." **According to the will of the National Assembly, the government does not owe any installment payments for current interest rates to the foreign banks which are the creditors of the Bulgarian Foreign Trade Bank, and hence, cannot take a decision on postponing their payments.**

The Law on the 1993 State Budget of the Republic of Bulgaria justifies payments amounting to Lv1,477 million, on the basis of the aforementioned scheme for the first quarter of 1993. Expenditures amounting to Lv2,392 million are allocated for the same purpose, but Article 7 of the Provisional and Final Regulations also envisages a restriction, according to which the financial resources in question can only be spent on the basis of a **National Assembly resolution.** Hence, according to law, **the Council of Ministers cannot decide any temporary rescheduling of the payments, because it is not entitled to pay. The government can only decide in a certain stage of the negotiations, to request that the National Assembly should adopt the decision envisaged by Article 7 of the Provisional and Final Regulations.**

All this shows that from a formal point of view a similar government decision is unnecessary. As the legal norms and practice show, the National Assembly alone is entitled to assume responsibilities in this respect, while the government can only submit a relevant proposal on the subject.

The very concept of holding an "expanded cabinet session" is an irregular form of adopting decisions. According to the Constitution, only the government is authorized to negotiate and sign international treaties on foreign credits. Members of the National Assembly are not entitled to participate in such activities, as happened at the so-called "expanded session." Actually, representatives of three parliamentary groups participated in a cabinet session without the authorization of the National Assembly, thus transgressing their rights as members of parliament and discrediting the parliament's prestige as a whole. It is high time for Lyuben Berov's cabinet to learn that division of power exists according to the Constitution. The government adopts decisions for which it answers to the National Assembly. Parliament and its commissions are authorized to summon cabinet ministers whenever they deem it necessary and to hold them responsible for this and that, but it is **inadmissible that deputies and chairmen of parliamentary commissions should be summoned to cabinet meetings.**

After the aforementioned government announcement, the value of our foreign debt was reduced by several points on the secondary market [vtorichiniya pazar] because of the diminished possibility to sign a prompt agreement. Rumors began circulating that Bulgarian subjects or citizens who have interests in our country are purchasing the debt at a reduced price. Under the circumstances the speculations with the debt were intensified on the basis of expectations about its price and settlement. Such were the real consequences of the Council of Ministers action.

Only two days later, on 2 July 1993, at an open session of the National Assembly's Budget and Finance Commission, in the presence of Finance Minister Stoyan Aleksandrov and of Mrs. Mariana Todorova, leader of the group in charge of debt negotiations, **it was denied that decisions, such as the aforementioned one, were taken at all.** As it became evident, the only decision which the cabinet is entitled to adopt is to refuse to unfreeze the assets envisaged in the 1993 State Budget Act, but this is of no consequence for the payment or nonpayment of debts to private creditor banks, and caused unnecessary publicity about one of our country's most painful problems.

To begin with, government spokesman Rayko Raykov was blamed for the mistake. However, the latter does not have the necessary authority to make such an announcement. He insisted before the chairman of the Budget and Finance Commission that the text was submitted to him by Mrs. Mariana Todorova. Only as late as 3 July 1993 the press center of the Council of Ministers briefed the mass media confirming that no decision whatsoever had been adopted at the 30 June session. The spokesman allegedly read an announcement on a planned, but not adopted decision and a totally unknown low-grade functionary of the Council of Ministers apparatus was blamed for the incident. The government had by no means disgraced itself, the information read.

This is the end of a strange scenario involving the negotiations on the country's foreign debt. The only results of it were the weakening of the Bulgarian position at the negotiations with the London Club, the incredibility of the government's reactions, and the deterioration of our prestige in the eyes of international financial institutions and creditor banks.

The Union of Democratic Forces [SDS] Parliamentary Group is convinced that the country's national interests have been seriously affected. We cannot help suspecting that we are facing a deliberately staged incident aimed at benefiting certain financial groups closely related with the government, and that this happened with the participation of corrupt civil servants and ministers. We cannot help suspecting the cabinet's evident incompetence, at best, and it is a fact that the government has substantially damaged our country's national interests.

It is inexplicable that untruthful information should leak from a closed-door cabinet meeting through a government spokesman, on the subject of such an important and crucial problem affecting Bulgaria and entailing serious consequences. We cannot understand why no member of this government reacted to the situation. **Why has no cabinet member even tried to contest the untruthful information throughout the three days which elapsed since the announcement, and why has none of them tried to clarify the misunderstanding, despite the international and domestic response which was not favorable for our country's interests?** Why did the government wait for the unanimous interference of the Parliamentary Budget and Finance Commission which finally provoked the necessary reaction of the government? Who is responsible for the negative consequences affecting our country?

We demand the no-confidence vote on account of the government's actions, so that the parliamentary majority may assume the responsibility or distance itself from them. The SDS government was overthrown because of non-existent and unconfirmed accusations about damaging national interests. In this case the damage caused by the cabinet's actions is unmistakable and confirmed, even for the members of parliament.

This no-confidence vote is a question of parliamentary support for the government. The prime minister and his cabinet are not openly supported by any parliamentary political force, at least according to official statements. Neither the prime minister nor the cabinet members are representing any of the parliamentary forces, hence none of them is directly responsible for their actions. However, the failures of a government cannot help reflecting upon the prestige of the parliamentary forces which are supporting the cabinet with their votes.

The SDS Parliamentary Group demands the no-confidence voice in order to show the Bulgarian people who is responsible for the two most drastic examples of damaging the Bulgarian state's and the Bulgarian people's interests.

BSP Official Favors Confederal B-H

AU2007194393 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT

[Interview with Georgi Purvanov, head of a Bulgarian Socialist Party delegation, by Zoran Zivkovic; place and date not given—recorded, Purvanov speaks in Bulgarian with superimposed Serbo-Croatian translation]

[Text] [Zivkovic] At the invitation of the Socialist Party of Serbia, a delegation of the Bulgarian Socialist Party, the strongest political party in this neighboring country, has been visiting our country for two days. As you know, the Bulgarian Socialists have had talks with the delegation of the Socialist Party of Serbia, the Democratic Party of Socialists [of Montenegro], Serbian Prime Minister Nikola Sainovic, and Deputy Federal Prime Minister Zeljko Simic. The delegation is led by Georgi Purvanov, member of the top leadership.

During these meetings you have expressed an interesting initiative, the setting up of a forum of left-wing forces in the Balkans. What does this actually imply?

[Purvanov] I would like to stress that the Balkan left-wing parties, the socialist and social-democratic parties in the Balkans, have recently appeared as a particularly active, constructive, and stabilizing factor, without which the Yugoslav crisis and the conflicts in the Balkans cannot obviously be resolved permanently. Our idea is to try to gather together the representatives of these parties on a broad platform, establish common points, and search for specific solutions in the Balkans.

[Zivkovic] You spoke about the damage suffered by your country, Bulgaria, as a consequence of the sanctions that have been introduced against Yugoslavia. You also expressed specific views on how the negative effects of the sanctions could be neutralized. What does this specifically mean? What steps can you take?

[Purvanov] I would like to stress that the sanctions are not only affecting the territory of the former SFRY. It has been demonstrated that they are also adversely affecting the economic and social situations in all the Balkan countries, including Bulgaria.

Therefore, we will try, in all possible ways, to influence European public opinion and the removal of the concrete consequences, because we hold the view that the sanctions are not achieving their aim and are not stopping the military conflict in Bosnia.

[Zivkovic] During your talks you also favored the principled settlement of the problems that exist in the former Yugoslavia, mainly in the former Bosnia-Herzegovina. What does this mean in particular?

[Purvanov] I think that our visit is taking place at a very encouraging moment in the settlement of the Yugoslav crisis and the conflict in Bosnia-Herzegovina in particular. The negotiations in Geneva indicate that the ways of overcoming the crisis and the practical settlement of the Bosnian conflict are in sight.

I am expressing the hope of our party that, on the basis of the negotiations in Geneva, a confederal form for Bosnia-Herzegovina could be found. The only fair agreement can initially be sought in this way, and after that, an even fairer distribution of the territory of that state.

[Zivkovic] Thank you very much for the visit and the interview. I wish you much success in you work.

Croatia Supports Demand for Embargo Compensation

AU2007125293 Sofia BTA in English 1128 GMT 20 Jul 93

[Text] Sofia, July 20 (BTA)—Croatia supports Bulgaria's request for compensations for the losses sustained by the country as a result of the implementation of the embargo on Serbia and Montenegro, Croatia's Ambassador Bernardo Jurlina told a press conference here today. Yet Croatia has reservations about Bulgaria's request for a transit corridor to Western Europe through Serbia, he said. According to him, the international community would rather support the idea of granting a transit corridor along the old Belgrade-Zagreb motorway. Yet for this to happen, Belgrade should give up the idea of a greater Serbia and the newly-formed states on the territory of former Yugoslavia should recognize each other.

Bulgaria and Croatia have no differences at all, the ambassador said. He expressed hope Bulgarian President Zhelyu Zhelev will visit Zagreb by the year's end to sign a bilateral treaty on friendship and cooperation. Mr. Jurlina cited the forthcoming signing of a trade accord between Bulgaria and Croatia next week as a step in the development of bilateral relations. The ambassador said a cultural accord is being prepared providing for the introduction of Croatian language and literature at the St. Kliment Okhridski University of Sofia and of Bulgarian language and literature at the Zagreb University. The Foreign Ministries of the two republics will sign an agreement within two months, the ambassador said.

Foreign Companies Ready To Prospect for Minerals

AU2007124993 Sofia BTA in English 1119 GMT 20 Jul 93

[Text] Sofia, July 20 (BTA)—Companies from South Africa, Canada, Australia and Austria are ready to immediately start prospecting for minerals in Bulgaria, mostly gold, STANDART NEWS writes today, citing Prof. Khristo Dabovski, deputy chairman of the Geology Committee. The Australian company Falkona will check a hypothesis of the availability of a gold field which can yield a profit, the paper writes. According to STANDART NEWS, the same company would like to work out

the largest manganese field in the Balkans, near Obrochishte, northeastern Bulgaria. The South American company Anglo-American and the international company Outo Kumpu are prospecting for gold on large areas in central and southwestern Bulgaria, the story says.

The Council of Ministers now grants mining licenses to each company separately, parliament has delayed a bill regulating the relations with foreign firms, Prof. Dabovski told STANDART NEWS. The Geology Committee has suggested that companies sign a uniform four-year contract stipulating fixed terms irrespective of changes in legislation, until the departments concerned agree among themselves. Contracts would hasten the issue of temporary licenses. In case deposits are discovered, the mining terms will be negotiated with the Council of Ministers, the National Assembly and the Ministry of Industry, the government's interests being guaranteed by setting up joint ventures with Bulgarian mining companies, the paper says.

Despite shortage of investment in the non-ferrous metallurgy over the last 10 or 15 years, companies are overcoming the difficulties amassed and are now capturing foreign markets, says another STANDART NEWS article, which cites an analysis of commercial partnerships in the sector to be discussed at a regular meeting of the Ministry of Industry this week.

1992 Bulgarian lead production operated at 84.4 percent of its capacity and is expected to operate at full capacity this year, says the daily. Zinc production today makes use of some 79.4 percent of its capacities. Certain positive tendencies are registered in the marketing of lead and zinc, the story says, citing unnamed experts.

After a fall in 1990, output at copper works has been rising again since 1992, the daily says later on. Despite these positive tendencies, additional measures for restructuring, financial stabilization and environment-friendly reshaping of this industrial sector should be taken, says the daily, quoting industrial experts.

Inflation Rate 4.1 Percent in June

AU2007172593 Sofia BTA in English 1356 GMT 20 Jul 93

[Text] Sofia, July 20 (BTA)—Inflation in Bulgaria was 4.1 percent in June, reaching its lowest since the beginning of the year except for March (3.9 percent), the National Statistical Institute (NSI) announced today.

In June food prices went up 2.9 percent, non-foods—1.6 percent, services and public transport fares in particular—17.3 percent.

The NSI specialists expect that if electricity and fuel prices stay at their present level, in July and August inflation would be less than 3 percent as it was over the last few years. According to their projections, inflation will go up in the autumn reaching 6 percent in November and December, the reason being the increase of heat power prices this spring.

The NSI specialists expect that the 1993 annual inflation rate will be 65-70 percent. In the opinion of NSI chairman Prof. Zakhari Karamfilov, inflation is being regulated but not curbed.

Macroeconomic Situation Reported

AU2007173393 Sofia BTA in English 1433 GMT 20 Jul 93

[Text] Sofia, July 20 (BTA)—The domination of the state sector in the manufacturing industries, the operation of production units below capacity and the shrinking domestic and international market for some products determined the macroeconomic situation in Bulgaria in the January-June period, according to a survey made by the National Statistical Institute, presented at a news conference today.

Sales in the state and cooperative sector totalled about 160,000 million leva, dropping 15 percent (20,600 million leva) from the same period of 1992. Closures of certain units and layoffs were registered in 490 enterprises. 298 enterprises started new operations in the January-June period.

96,000 million leva worth of manufactured goods, mostly of the power and machine engineering industries, electronics, the chemical and food industries, were sold. Compared with the same period of 1992, sales went down 10 percent (about 9,000 million leva). Industrial production dropped about 9 percent.

Sales in construction in the state and cooperative sector amounted to 5,500 million leva, a 30.6 percent drop (1,700 million leva) from the first half of 1992.

State and cooperative transport companies posted proceeds of 13,900 million leva, of which 30 percent were generated in water transport, 26 percent in road transport, 22 percent in air transport and 20 percent in railway transport. Proceeds from transport services dropped 8.4 percent (about 1,000 million leva) from the first half of 1992.

Turnover in the private sector amounted to 24,700 million leva, while the total turnover was 46,700 million leva, dropping 14.4 percent (about 5,000 million leva) from the first half of 1992. Turnover decreased 30 percent in the state and cooperative sector and increased 6 percent in the private sector. A further increase in private sector sales cannot be expected in the next few months because of the stiff competition among private traders and a drop in demand, according to the Statistical Institute.

1,415,000 were employed in the state and cooperative sector of material production (agriculture and forestry excluded). Their personnel has been reduced by an

average 10,000 a month this year. There were only 377 new openings in the first half of 1993.

Private Sector Growth Termed as 'Slow'

AU2007165193 Sofia BTA in English 1519 GMT 20 Jul 93

[Text] Sofia, July 20 (BTA)—The growth of the private sector in Bulgaria is relatively slow. The uncertain economic environment does encourage the more enterprising to set up their own business and is not conducive to the adequate functioning of already existing businesses, according to an analysis made by the National Statistical Institute (NSI).

This analysis was based on data from a poll conducted among 5,000 private companies (excluding those in agriculture) and was presented at a press conference held here today. The greater part of the polled private companies asses the business climate in Bulgaria as satisfactory but one third see it as adverse.

The polled Bulgarian private companies do not feel stable enough. One in three intend to change their line of business and half of them believe that competition in their branch is growing, according to the poll.

The overwhelming part of the Bulgarian private companies employ up to five people. Only 16 percent of the respondents intend to increase their staff. By June 1993 private companies employed about 210,000 persons, about 40,000 up from the same period last year. According to NSI representatives, the jobs opened by private companies are insufficient, bearing in mind that state-owned companies lay off an average of 10,000 people a month.

Over 60 percent of the polled private companies have not planned expenditures on investments for new equipment and re-equipment. Only 2 percent of the private companies have received investment from abroad, according to the poll of the NSI.

In the first six months of this year the private sector accounted for 20 percent of the total revenues, according to an NSI business climate review. It accounted for 17 percent over the same period last year.

The revenues of the Bulgarian private companies from the marketing of industrial goods and services in the first six months of this year amount to 2.6 billion [no currency specified]—almost 7 percent up from the same period of 1992. Private companies in construction are working mainly in the field of construction and installation. Private transport companies have made profits totalling 800 million leva.

80 percent of the revenues of Bulgaria's private sector in the first half of 1993 are from trade. They total 39 billion leva which is 60 percent up from the same period last year. Almost one-third of the revenues from trade come from trade in foods, according to the NSI report.

Report Analyzes Nuclear Cooperation With DPRK

AU2007133493 Prague RUDE PRAVO in Czech 19 Jul 93 p 3

[Report by Jiri Roskot: "What the DPRK's Nuclear Cooperation With Czechoslovakia Involved"]

[Text] During his visit to South Korea in June, Czech Foreign Minister Josef Zieleniec told President Kim Yong-Sam that Czechoslovakia had cooperated with the Democratic People's Republic of Korea (DPRK) in the nuclear sphere. Specifically, he said that Czechoslovak nuclear experts went to the DPRK in 1988.

This information provoked a reaction in South Korea and was noted outside it. A South Korean newspaper, THE KOREAN TIMES, quoted the president's spokesman, who ascribed to Josef Zieleniec the claim that Czechoslovakia even supplied the DPRK with nuclear technology. In Prague, I turned to Engineer Karel Boehm, deputy chairman of the State Nuclear Safety Office, and to Dr. Ladislav Bartak, director of the Nuclear Materials Department in the same institution, for more information.

[Roskot] What kind of contacts were there between the former CSSR and the DPRK in the nuclear sphere?

[Boehm] The staff involved in this no longer work here. According to the documents we have at our disposal, on 22 May 1989 a protocol was signed between the Czechoslovak Nuclear Energy Commission and the DPRK Nuclear Energy Ministry on direct scientific-technical cooperation in the peaceful utilization of nuclear energy.

[Roskot] According to your information, did Czechoslovak nuclear experts go to the DPRK in 1988?

[Bartak] A delegation of Czechoslovak nuclear safety experts was in North Korea in 1989 to sign the aforementioned protocol. Three experts from the Institute for Radioecology and the Utilization of Nuclear Technology and the Institute for Radioisotope Research, Production, and Utilization went there about a month after the delegation. They stayed there for approximately one month.

[Roskot] Did this have anything to do with the protocol?

[Boehm] Yes. The protocol referred specifically to the exchange of information and—as the case may be—of study materials on nuclear energy and its medicinal applications and on guarantees for supervising the nonproliferation of nuclear weapons.

[Bartak] It is stressed in the first paragraph of the protocol that, as far as nuclear energy is concerned, the issue only involves nuclear safety supervision and inspections carried out in all the International Atomic Energy Agency (IAEA) member states.

[Roskot] What was the protocol's fate?

[Boehm] According to the schedule for 1989-90, there should have been cooperation in increasing the output of research reactors, in neutron activation analyses, in methods for measuring low radioactivity levels in the environment, and in the utilization of radioactive materials for medicinal and veterinary purposes. As far as we know, nothing was realized. It is important that, according to the protocol, nothing was involved that could be used for strategic military devices. Otherwise, the protocol with the DPRK is still officially valid.

[Roskot] Did North Korean nuclear experts also come to Czechoslovakia?

[Bartak] Three came in May-June 1988 and another three came in January-March 1989. They were sent to us by the IAEA, and not by their own country. They were undergoing training in the state system for maintaining records on nuclear materials. We have one of the best systems, and we are always willing to assist the IAEA when it sends people to us for training from states that have acceded to the Nuclear Nonproliferation Treaty, which was the case of the DPRK at that time.

A specialist from the DPRK attended a short-term study program at the Institute for Clinical and Experimental Medicine (IKEM) from March-April 1989 and two North Koreans also visited the institute from November-December 1989. In both cases, the field of study was nuclear medicine.

A Statement By the DPRK Embassy

R. Chun-Muk, the charge d'affaires at the DPRK Embassy in Prague, told me: "We did not, as some of the press has reported, get any nuclear technology from Czechoslovakia. Czechoslovakia could not even have given us such technology, because it was bound by the Warsaw Pact and other agreements."

"Our nuclear experts visited CzechoslovakiA several times through 1988 via the IAEA. There was no broader cooperation, because no agreement had been signed between the DPRK and Czechoslovakia on cooperation in the nuclear sphere through 1989."

"The protocol on cooperation in the utilization of nuclear energy for peaceful purposes was signed in May 1989. Only two groups of nuclear experts were exchanged before November of that year. After November, this protocol could not be implemented for reasons that are well-known."

"South Korea is now claiming that it will be able to determine the level of development in nuclear weapons in the North when it analyzes the material on nuclear cooperation between the DPRK and Czechoslovakia, material that the Czech Republic is, apparently, going to provide. Since the Czech delegation, through its talks in Soul, made it possible for the South Koreans to make this claim, it is up to the Czech side to issue a statement on this matter."

The Czech Foreign Ministry

In reply to a question from me, Lucie Pilipova, the Czech foreign minister's spokeswoman, said that "contacts between the former CSSR and the DPRK in the field of nuclear research were very sporadic." She also said that, according to the Foreign Ministry's information, the study visits by North Koreans in Czechoslovakia were oriented toward safety guarantees for nuclear facilities and toward nuclear medicine.

According to other sources, the Foreign Ministry is now working on a report on Czechoslovak-North Korean relations that is to be made available to South Korea.

Klaus Interviewed on Minorities, Coalition

LD2007193693 Prague Stanice Praha Radio Network in Czech 1645 GMT 20 Jul 93

[Regular Tuesday interview with Premier Vaclav Klaus by Vaclav Musilek—live or recorded]

[Excerpts] [Musilek] Premier, the Czech proposal on the border controls system was accepted at your talks with Vladimir Meciar on a common border. Will you take this accommodating move by the Slovaks into account in the talks on the still unresolved issues concerning, primarily, the balance of the Czechoslovak State Bank, federal budget and other matters?

[Klaus] I reckon that we should undoubtedly take this accommodating move into account. I think, however, that linking it with a property issue of principle in a simplistic and one-way manner would be incorrect.

[Musilek] On the other hand, the Czech Republic's position on the measures the Hungarians have taken with regard to minorities in the Central European Initiative [CEI] context is interpreted as an accommodating position of the Czech Republic toward Slovakia. You have rejected a document on minorities which would have been legally binding, even with regard to the Slovak-Hungarian discussions on this issue.

[Klaus] Our arguing against adopting this document at the CEI meeting was guided by both general and special reasons, I would say. As for the general reasons, I think that at this moment there is no need for us to take specific legislative measures on minorities both in our country and in Europe as a whole. The idea that legislative measures on minorities could eliminate all potential conflicts in Europe, which is the idea harbored by some Western politicians is, in my view, very questionable and fallacious. On the contrary, I fear that our laying down new options for the position of minorities in Europe as a whole would have been a move leading to destabilizing Europe and not toward European stability. The point is that laying down brand new and different rights of national minorities in Europe would undoubtedly lead to casting doubt on Europe's status quo. I hope I am right in saying that the entire Helsinki process represented the idea of recognizing the status quo in Europe and not the dismantling of Europe. It was a process of preserving Europe in its present shape. It laid more emphasis on citizens' civic rights.

In my view, casting aside the European status quo, forgetting basic human rights and starting to press forr a totally new concept of minorities' rights would be dangerous. This applies to each European country and not specifically just to the relationship between Hungary and Slovakia. To this, I would like to add the following: Instability in a state situated to the east of our country—in other words, Slovakia—cannot be in the interest of any Czech citizen. There is no doubt therefore that this is the side we must take. [passage omitted]

[Musilek] Your coalition partners, above all the Civic Democratic Alliance, continue to strive to achieve a convocation of a coalition meeting to discuss coordination of foreign policy. Among the reasons they give is that you often criticize the Maastricht agreements and this is not, according to your partners, in harmony with our efforts to join the European Community. You said that there was no need to convene such a meeting. Does this mean that foreign policy and individual steps [as heard] are sufficiently discussed on other occasions?

[Klaus] I think that this is being discussed on other occasions. I am getting tired of requests constantly put forward by Mr. Kroupa. I really cannot avoid describing it in this way. These requests do not mean anything else than that the Civic Democratic Alliance would like to discuss all the issues concerning spheres where it happens that they do not have their minister in the government.

If the Alliance continues to do this, I will immediately begin requesting coalition meetings about legislative issues, because the Civic Democratic Party does not have the post held by Mr. Kalvoda; requesting coalition meetings about industrial policy carried out by Vladimir Dlouhy; and immediately requesting meetings about privatization carried out by Minister Skalicky. Simply, I do not think this is the way things should be done. [passage omitted]

If I have a strong view on agricultural issues, then I should make it heard as a member of the government and simply respect the fact that the current agriculture minister is a representative of the People's Party. I do not see any reason for convening coalition talks about agriculture. [passage omitted]

Simply, I do not believe that Mr. Kroupa's views are sincere. I simply do not believe this. This is an attempt to intervene more and more in a ministry where, as it happens, my party does not hold the post of the minister. I do not think this is the right method. [passage omitted]

[Musilek] The British paper OBSERVER recently wrote that President Havel was safely put aside at Prague castle and that he was even your prisoner. It also writes about the tussles between the two of you which do not appear in the news. Mr. Premier, I know that you are often being

asked this question at public rallies: How do you assess your relationship with the president right now?

[Klaus] I would first like to assess the OBSERVER article. I often lament. I lament the quality of the journalistic work in our country. However, having read the OBSERVER article, I began to question my conscience and I started saying myself that our journalists are geniuses. Something of that kind, such a nonsense as this one published in a serious paper, which OBSERVER is—well, that is something which, I almost believe, could not be conceived in our country.

If the article says that Vaclav Havel is imprisoned and gagged, there is nothing, nothing I could add. It is simply a misfortune!

What is the juicy bit of the article is the citation proving that the author did not invent it totally on his own. He is not a citizen of this country. The fact, which he quotes, gives away quite clearly who made him believe those things. It is worth noticing that he also quotes Pavel Zak, deputy chairman of the Civic Movement. By doing so the author indirectly gives away the information on where he got the ideas on imprisonment, gagging, etc.

I really do not have the slightest reason to comment on that text any more. It is simply stupid, untrue and naughty. It is a pity that somebody talks about us like this and spreads it in the world.

Even more, it is a pity that there are people in our country who contribute to that from our side and supply ammunition for something like that.

Kocarnik: Slovakia Questioning CSFR Bank Operations

AU1907173493 Prague CTK in English 2048 GMT 16 Jul 93

[Text] Prague, July 16 (CTK)—With the assistance of an audit company, Slovakia tries to cast doubt on the operations of the former Czechoslovak National Bank, Czech Finance Minister Ivan Kocarnik told CTK today.

Slovakia has the idea that the audit company is to find arguments which would evidence that something would have been different, if..., noted Kocarnik.

On Slovak 6.6 billion korunas ($220 million) claim Kocarnik said that it had been discussed by the previous property commission, when the assets abroad, especially those related to the International Monetary Fund and to the World Bank, had been exempted from the total banking balance.

Slovakia acknowledged them, but it wants to check all of the others through audit, he stated.

The agreement on Czechoslovak claim to money provided for funding the liabilities from the intergovernment agreement on cooperation in exploitation of the Yamburg gas finding-place, construction of the Yamburg Gas Pipeline and the Urals Gas Works, includes the two to one ratio of division and the technicalities of its payments, said Kocarnik.

On signing the global agreement, Kocarnik said that it could be concluded in two weeks in case that it would include a taxative list of all the agreements and that the Czech Government would approve its wording.

Kocarnik Interviewed on Division of Federal Property

AU2007111393 Prague TELEGRAF in Czech 17 Jul 93 pp 1, 6

[Interview with Finance Minister Ivan Kocarnik by Jan T. Vavra; in Bratislava on 16 July: "A Small Step Forward"]

[Text] The talks on the division of federal property have now been going on for several months. The last meeting of the property commission took place in Bratislava yesterday. We asked Ivan Kocarnik, deputy prime minister and finance minister, several questions.

[Vavra] How do you evaluate the meeting on the division of the property of the former federation in Bratislava on Thursday [15 July]?

[Kocarnik] Basically, there were no major changes. As expected, we succeeded in fine-tuning the treaty on taking over the obligations of the Dolinska mining and processing complex, and treatment of the division of the gas integration project—VIA [expansion unknown]. The preliminary treaty was completed with some additional paragraphs.

In general, talks have moved a small step forward.

[Vavra] Among other things, treaties on the transfer of state-owned accounts, receivables and payables, and the transfer of state-provided guarantees, were signed. What do those treaties mean in practice?

[Kocarnik] The first treaty applies to claims and obligations of the federation ensuing from financial assistance (credits) and obligations ensuing from guarantees provided on domestic and foreign loans. According to the treaty, claims and obligations should be transferred to the republic where the headquarters are of the organization that accepted the assistance. That is—division according to the territorial principle.

It is important that the hitherto unclear legislative situation has thereby been solved.

The second treaty deals with the transfer of state-owned accounts receivables and payables on 21 December 1992, broken down according to individual types [of accounts]. Basically, the 2-to-1 principle is being respected. According to this key, federal financial claims

of over 34 billion korunas and federal obligations representing claims of the former Czechoslovak State Bank amounting to 65 billion korunas were divided.

[Vavra] In your opinion, have you reached progress in the division of the former Czechoslovak State Bank?

[Kocarnik] No, we have not. We have not surrendered the original amount. We are trying to give our partner the chance to feel confident that the data are not questionable. At present, the Slovak side is accepting 6.6 billion korunas, and it is demanding an audit on the remaining amount by a reputable foreign firm.

Dlouhy Foresees 'Aggravation' of Economic Development

AU1907173293 Prague CTK in English 2019 GMT 16 Jul 93

[Text] Prague, July 16 (CTK)—Czech Minister of Industry and Trade Vladimir Dlouhy told Czech Television today that the aggravation of economic situation in the Czech Republic could be expected in the second half of this year and probably also in the first six months of 1994.

Said Dlouhy: I am not an optimist as far as the year of 1993 is concerned and maybe also the first half of 1994.

Dlouhy said that economic recession would regender [as received] the clashes of interests between different groups and the government. As paradoxical as it may seem but macro-economic data would be better. It would be, however, more difficult to maintain social peace and stability, Dlouhy said, adding, however, that he was convinced that social tranquility in the country would be preserved.

Employers and Unions Demand Tripartite Meeting

AU1907173093 Prague CTK in English 1938 GMT 16 Jul 93

[Text] Prague July 16 (CTK)—Representatives of Czech Trade Unions and Employers' Associations agreed here today on the necessity to speedily call an extraordinary tripartite session due to the government breaking the General Agreement.

They announced this at a press conference, adding that the breaches concerned especially wage regulation and additional pension insurance.

Trade Unions and employers have declared their opinions on wage regulation and the government's conception of additional pension insurance.

But what angers them most is that the government declared the wage regulation without previous talks with the tripartite (government, trade unions and employers) and in the case of the law on additional insurance, the government did not fulfill the agreed term (June 30) for submitting its draft bill to the parliament.

The General Agreement has been put in question by these governmental steps and the extraordinary session of the Council of the Economic and Social Accord (RHSD), the so-called tripartite, should discuss the agreement's sense.

Chairman of the Czech Moravian Chamber of Trade Unions (CMK OS), Vladimir Petrus, said, only filling the agreement by all three sides ensures social peace. All sides are responsible for it, he added.

According to the chairman of the Confederation of Employers' and Entrepreneurial Association (KZPS), Milan Veverka, the government broke the agreement's final provision, which says, among other things, that contractual parties are bound by its current wording until an adoption of potential changes.

The trade unions' and employers' representatives at the session issued a common statement, saying: Representatives of CMK OS and KZPS have met on July 16 and are jointly saying that important articles of the general agreement are being broken and the agreement itself is not fulfilled. They therefore demand a meeting be held of the Council of the Economic and Social Accord with an only issue on the agenda: The status of the general agreement's fulfillment for 1993.

Situation Forcing Farmers Into Disobedience

AU1907161993 Prague CTK in English 1401 GMT 15 Jul 93

[Text] Breclav, South Moravia July 15 (CTK)—The current critical economic situation in agriculture is forcing farmers to protest in the form of civic disobedience.

Members of the regional Agrarian Chamber in Breclav, therefore, sent an open letter to Czech Deputy Premier and Minister of Agriculture Josef Lux.

The letter stresses that the association has submitted a proposal for the speedy adoption of effective measures and updating the agricultural program. It proposed that the privatization process should be made more quickly and clearly agricultural primary production should be connected to the processing and food industries, measures should be taken for the protection and regulation of the agrarian market and the tax system concerning agriculture amended. Nothing from these measures has been put into practice, they say.

Talks with Czech Premier Vaclav Klaus has not brought the expected results in solution of the submitted requirements, except for the setup of commodity councils and approval of the guarantee and development program. A promise of fixed-term protection of market with selected commodities, made by the Czech Ministry of Agriculture and signed by its Deputy Minister Vaclav Slavicek, has not materialized either, according to the letter.

The farmers also remind Lux about the promises he gave in talks in Breclav and Prague, where he assured them

that the ministry and government would provide for the corresponding entrepreneurial environment and gradual profitability of agricultural activities.

Minister Rejects Farmers' Campaign

AU1907175193 Prague CTK in English 1838 GMT 16 Jul 93

[Text] Prague, July 16 (CTK)—Minister of Agriculture Josef Lux said that farmers' campaigns of civic disobedience will neither speed up nor help resolve problems in agriculture, Marcela Doleckova, a spokeswoman to the ministry, announced to CTK today.

An open letter of July 14 from the members of the Regional Agrarian Chamber in Breclav, South Moravia, reads that the current critical economic situation in agriculture is forcing farmers to protest in the form of civic disobedience.

Lux voiced his surprise over the letter as he had spoken with farmers the same day.

KSCM Voices Apprehension About Anti-Communist Law

AU1907180793 Prague CTK in English 1515 GMT 15 Jul 93

[Text] Prague July 15 (CTK)—The Communist Party of Bohemia and Moravia (KSCM) voiced concern about the fate of Czech democracy in connection with the law on the illegitimacy of the former communist regime in Czechoslovakia and the status of the anti-communist resistance movement.

KSCM representatives told journalists today that they had expressed their apprehensions in a letter the KSCM Central Committee sent to international and European organisations—Amnesty International, the Socialist International, the European Court for Human Rights and the World Jewish Congress.

The letter reads that the anti-communist law introduces the principle of collective guilt and violates the Charter of Basic Human Rights and Freedoms.

In the letter, KSCM officials protest the fact that a state which had been recognised as part of the international community, as well as a party itself, which maintained relations with non-communist parties and institutions was declared criminal under the law. Through the law the communist idea—a legitimate product of European and world civilization—acquires a criminal nature, the letter states.

The letter directs attention to the fact the law is contrary to the 1966 International Pact on Civic and Political Rights. The law would in fact mean leaving the pact, the letter reads.

Law on Illegality of Communist Regime

AU1407145193 Prague CESKY DENIK in Czech 12 Jul 93 p 2

["Full Text of the Law on the Illegality of the Communist Regime"]

[Text] On Friday, 9 July 1993, the Chamber of Deputies adopted the Law on the Illegality of the Communist Regime, and on Resistance Against It. Today, we carry its full text. (editors)

Parliament agreed on the following law:

Aware of the obligation of the freely elected parliament to come to terms with the Communist regime, Parliament declares that the Communist Party of Czechoslovakia, its leadership and members, are responsible for the system of government in this country in the years 1948-1989, and particularly for the systematic destruction of the traditional values of European civilization, for the conscious violation of human rights and freedoms, for the moral and economic ruin combined with judicial crimes and terror against advocates of different opinions, the replacement of a prospering market economy with command management, the destruction of the traditional principles of ownership, the abuse of training, education, science and culture for political and ideological purposes, and the careless destruction of nature, and asserts that its future work will be based on this law.

Article 1

(1) The Communist regime and its active supporters,

a) deprived citizens of any possibility of freely expressing their political will, forced them to conceal their opinion on the situation in the country and society, and forced them openly to express their agreement even with what they considered lies or crimes, and that by means of persecution or threats of persecution against the citizens themselves or their families and friends;

b) systematically and constantly violated human rights, while oppressing certain political, social, and religious groups in a particularly sinister manner;

c) violated the fundamental principles of a democratic state based on the rule of law, international treaties, and its own laws, in practice putting the will and interests of the Communist Party and its representatives above the law;

d) used every means of exerting power to persecute citizens, and in particular:

—executed them, murdered them, and imprisoned them in penitentiaries and forced labor camps, used brutal methods against them and exposed them to inhuman suffering—including physical and psychological torture—during investigation and incarceration,

—deliberately divested them of their property and violated their rights of ownership,

—deprived them of the opportunity to practice their professions or perform their duties, or attain higher education or specialized training,

—restricted their freedom to travel freely abroad and return freely,

—drafted them into Technical Support Battalions and Technical Battalions for unlimited periods of time;

e) did not hesitate to commit crimes to reach its objectives, facilitated the execution of these crimes with impunity, and provided unfair advantages for those who participated in these crimes and persecutions;

f) joined forces with a foreign power, and from 1968 maintained the aforementioned state by means of occupying troops.

(2) Those who implemented the Communist regime as officials, organizers, and agitators in the political and ideological sphere, are fully responsible for the crimes specified in Section (1).

Article 2

(1) It is particularly for the details specified in Article 1, Section (1) of this law that the regime based on the communist ideology, which decided on the government of the state and the fate of the citizens of Czechoslovakia from 25 February 1948 to 17 November 1989, was criminal, illegal, and contemptible.

(2) As with other organizations based on the communist ideology, which oriented their operation toward the suppression of human rights and the democratic system, the Communist Party of Czechoslovakia was a criminal and contemptible organization.

Article 3

The aversion of citizens to this regime, expressed consciously and openly, individually or collectively, on the basis of democratic convictions of a political, religious, or ethical nature, by means of resistance or other activities on the territory of this state or abroad, even involving collaboration with a foreign democratic power, was legitimate, just, and morally defensible, and is commendable.

Article 4

All those who were unfairly harmed or persecuted by the Communist regime, and did not take part in the activities specified in Article 1, Section (1), of this law, deserve compassion and moral satisfaction.

Article 5

Unless for political reasons contrary to the basic principles of the legal code of a democratic country a sentence or an acquittal was legally pronounced, the period from 25 February 1948 to December 1989 is not included in the statute of limitations.

Article 6

The court annuls or reduces sentences for crimes that are not included in the exoneration under Law 119/1990 on judicial exoneration with respect to regulations of a later date, if it is proved during the proceedings and subsequent compensation that the objective of the culprit's actions was the protection of fundamental human and civic rights and freedoms and the means used were not obviously ill-suited. For the purpose of such proceedings, the stipulations of Article 4 and ff. of Law 119/1990 on judicial exoneration will be appropriately applied.

Article 7

The government restitution debentures issued to citizens with compensation claims under Article 23, Section 5 of Law 119/1990 on judicial exoneration are payable by the end of 1995.

Article 8

The government is authorized to rectify by decree some wrongs done to the adversaries of the Communist regime and to persons affected by persecution in the social, health, and financial spheres.

Article 9

This law takes effect on 1 August 1993.

Meciar Cites Achievements Since Sovereignty

AU2007152693 Bratislava REPUBLIKA in Slovak 19 Jul 93 p 2

[TA SR report: "A Historic and Correct Step"]

[Excerpts] Bratislava-Sumiac—A year ago, on 17 July 1992, the Slovak Parliament, elected in the June parliamentary elections, ceremonially adopted the Slovak National Council Declaration of the Slovak Republic's Sovereignty. [passage omitted]

"By adopting the Slovak nation's Declaration of Sovereignty a year ago, we manifested our right to self-determination and our intention to implement it. Today it is obvious that this step was correct." This statement was made by Slovak Prime Minister Vladimir Meciar in an interview for TA SR. He said that Slovakia has undergone immense changes over the past year—it has established the principles for democratic legal order, it has attained an internationally recognized statehood, and it has developed a new system for its domestic, foreign, economic, political, and social life. The prime minister paid particular attention to the fact that the Slovak Republic has become a member of the United Nations and the Council of Europe and has also been incorporated into the system of world banking and economic structures.

"Where there was only one representative during the Federation, now there are two, not only Czech, but also Slovak. There are two voices instead of one, and it is positive that, despite various ups and downs, we discern—and this was confirmed at the Central European Initiative conference in Budapest—that relations between the Czech and Slovak Republics do not have to deteriorate and that our states are capable of friendly cooperation," added Vladimir Meciar. [passage omitted]

Minister Evaluates Work of Finance Ministry

AU2007133193 Bratislava NARODNA OBRODA in Slovak 17 Jul 93 p 3

[Article by Finance Minister Julius Toth]

[Text] I have the impression that we have fulfilled everything—and much more, in addition to that. When the government declaration, and the supplements thereto, were debated in parliament, it became apparent that the Slovak Republic's Ministry of Finance was given the largest number of tasks.

What Have We Done, Then?

1. In 1992, when the government assumed office, necessary measures were taken to divide the republic. The process of division was carried out under normal conditions. We had to tackle all the tasks related to the property division of this republic.

2. We knew that we did not have a national bank or the technology for processing financial operations. We have quickly built the clearing center, so that, after the division of the republic, all financial operations could be carried out through Slovakia and not through Prague. We succeeded on 9 February 1993.

3. We realized that it was necessary to solve the problem of our currency, and that its separation should be done within the first six months of 1993. There were two spheres of problems for us to solve:

a) to select suppliers, form, and scope [as published] of the stamps with which the currency would be stamped, and secure all technicalities no later than 1 January 1993;

b) to speedily prepare the printing of the new Slovak currency in cooperation with the Czechoslovak State Bank in Bratislava so that this currency could be in circulation in the second half of 1993.

The tax and state budget issues were special problems. For the first time, we were preparing an independent Slovak budget. The draft was only a technical matter, in fact. That is, we estimated some of the income based on experience (data) of past years. However, we drafted it on the basis on an absolutely unknown economic situation, since we entirely modified the tax system on 1 January. There were certain federal calculations on how to influence the economic situation in Slovakia, but they could not be used in their complete scope. We had to draft a budget and find our own priorities, balance the income against spending, and also take into account the fact that, within the framework of the new tax system, certain problems would arise when collecting taxes. In normally functioning economies, introducing a new tax system may take some two to three years. We had only six months for that, including the preparatory period. We can say that we have managed it. Now, we only have to make technical adjustments in certain administrative procedures and solve problems of insolvency. What still remains to be solved? The largest problem of the Slovak economy—while it is still declining—is the insolvency of enterprises. This is not a specific problem of Slovakia, but a problem of all other postcommunist countries. In recent months, we drafted some principles by which it would be possible to solve it. This is what I consider the main economic tool for the development of economy and its stabilization. Within the framework of these measures, we also drafted an amendment to the bankruptcy law, by which we want to prevent such an event as the New York Stock Exchange crash in 1929. Those who are saying today that the market economy will solve everything should realize what drastic measures the then American Government had to take to return the economy to its normal state. It has been clear to us, since the beginning of the establishment of the independent state, that we also must solve relations with international financial institutions, since, without help from outside, it would be difficult to pump enough of our own funds into the Slovak economy and to prompt this development. This is why we consider our relations with the IMF to be a decisive factor. By an agreement, we have entered the

international market as a partner of advanced independent countries, and, at the same time, we sent a signal that the Slovak economy is capable of adopting the principles of the work of international institutions and respects the treaties it has concluded with many countries within the framework of the protection of investments, excluding double taxations, and the stimulation of the free movement of capital.

Contents of Antall Letter to Klaus Cited

AU2007181893 Bratislava REPUBLIKA in Slovak 17 Jul 93 p 1

[TA SR report: "Antall's Letter to Klaus"]

[Text] On 12 July Hungarian Prime Minister Jozsef Antall sent a letter to Czech Prime Minister Vaclav Klaus, which states, among other things:

"In accordance with the Council of Europe member states, the Hungarian Government holds the view that peace on our continent will occur only when basic human and minority rights are observed in our region. It is not, and will not be, the aim of the Hungarian Government to isolate Slovakia and to prevent its integration into Europe. At the same time, however, the recommendations of the Parliamentary Assembly of the Council of Europe are of crucial importance.

In promoting and utilizing the control mechanisms of the Council of Europe, Hungarian diplomacy is counting on effective cooperation with Council of Europe member states, that is, also with Czechia, with the aim that the Government of the Slovak Republic, which has been granted confidence in advance, adjust Slovakia's legal system to international norms and thereby secure minority rights.

As a member of the Council of Europe and Slovakia's neighbor, Hungary is of the opinion that there exist reasons for Slovakia to carry out the planned change of the territorial administration in such a way that Hungarians living together in one block should belong to one territorial entity."

Almost Two-Thirds of Companies Operate at Loss

AU2107105093 Bratislava HOSPODARSKE NOVINY in Slovak 19 Jul 93 p 2

[TA SR report: "Balance of Profits and Losses in the Slovak Republic"]

[Text] According to the latest analysis by the Slovak Statistical Office, there are 3,727 enterprises in Slovakia, 13 of which are plants belonging to Czech enterprises. In the first quarter of the year they generated a profit of 13.4 billion korunas. A total of 1,416 enterprises were in the black, while 2,271 enterprises concluded the same period with an aggregate loss of 9.921 billion korunas. Profits exceeded losses by 3.567 billion korunas. The most profitable in the first quarter were companies involved in the generation and distribution of electricity, gas and water works, transportation companies, storage facilities, communications, leasing organizations and services, and, within the framework of manufacturing industries, the production of chemicals and fibers. The greatest losses were in agriculture, gamekeeping, and forestry and in the building industry. Of the total number of enterprises, 62.6 percent operated at a loss.

Troops for Croatia, Mission to Nagorno-Karabakh

LD2007184393 Bratislava STV 1 Television Network in Slovak 1730 GMT 20 Jul 93

[Excerpts] The 60th meeting of the Slovak government had almost 15 points on its agenda. [passage omitted]

The government passed without comment the proposal to send soldiers of an infantry battalion from the Army of the Slovak Republic to Croatia within the framework of the UN peacekeeping forces, and a CSCE monitoring mission to Nagorno-Karabakh. [passage omitted]

Antall's Health Takes 'Sudden Turn' for Worse

AU2007153893 Paris AFP in English 1504 GMT 20 Jul 93

[Text] Budapest, July 20 (AFP) - Prime Minister Jozsef Antall, 61, who has cancer of the lymph glands, has called off all official engagements until Thursday after his health took a sudden turn for the worse, his office said Tuesday.

Antall began a three-day course of medical examinations and treatment on Monday and cancelled talks scheduled for Tuesday with visiting Indian Prime Minister Shanker Dayal Sharma. Foreign Minister Geza Jeszenszky would fill in for the prime minister for the time being, Antall's office said.

Antall, who has headed the Hungarian Government since May 1990, had surgery in October 1990 and undergoes chemotherapy at regular intervals.

Goncz Holds Talks With Indian President

LD2007192493 Budapest MTI in English 1729 GMT 20 Jul 93

[Text] Budapest, July 20 (MTI)—Presidents Arpad Goncz of Hungary and Shankar Dayal Sharma of India started official talks in Budapest on Tuesday afternoon, with a private discussion, and then jointly with negotiating delegations. The presidents then met the press and reported on the nearly two hours-long discussions on bilateral relations and the international situation.

Indian President Shankar Dayal Sharma confirmed India's will to develop relations, and said the two countries should make use of the chance to act in the interests of peace.

According to the Indian president, the talks showed India and HUngary having similar views. Cooperation has become closer and new openings promise further cooperation. He also said great emphasis was placed on economic relations, and on possible joint stands in third countries. Goncz also stressed similarities in the two countries' views.

The Indian president appreciated the sound relations between the two countries, and said senior politicians have outstanding invitations: The Indian minister of defence and the minister of science and technology have been invited to visit Hungary, and the Hungarian president and the speaker of Hungarian parliament are awaited for visits to India. Possible joint Hungarian-Indian diplomacy was looked at.

The Hungarian president's spokesman said Goncz warmly recalled the role played by India in 1956, when Indian diplomacy was active in easing retributions after the Hungarian revolution. Goncz regretted that bilateral trade turnover has declined to one-third the previous level in recent months. Ongoing talks between the two countries in the matter of power plants, incinerators, slaughter houses, mills, pharmaceuticals, and lamp-making were therefore particularly important.

Toasts Exchanged at Dinner

LD2007192693 Budapest MTI in English 1834 GMT 20 Jul 93

[Text] Budapest, July 20 (MTI)—Hungarian President Arpad Goncz and his wife hosted a gala dinner in honour of Indian President Shankar Dayal Sharma and his wife, in the Hungarian Parliament building on Tuesday evening.

Both presidents delivered toasts.

In his toast, Hungary's President Arpad Goncz said he was glad that Hungary was the first place his Indian counterpart, Shankar Dayal Sharma, visited since taking over as president.

Goncz added, "the main foreign-policy lesson from our 1,100-year history of Hungarian statehood is that smaller countries must work to build up a diverse system of foreign links. After the change of system in Hungary, this lesson increasingly turns our attention to other parts of the world, above all India."

"India carries an important message and sets an example for our age: The world's largest democratic federal state proves with its existence and practical deeds that freedom, democracy, religious tolerance, and the coexistence of communities enjoying equal rights in a diverse society are closely related inseparable concepts of universal significance," the Hungarian president went on.

He then pointed out, "now that the Cold War is over, we increasingly tend to measure the prestige of countries by the richness of their traditions, by their cultural, intellectual, and moral potential, by the well-being of their citizens and the diversity of their ties with the members of the international community, rather than by the quantity of their weapons.

"But to ensure that relations between states really rest on principles of justice, peace, mutual advantage, respect, and understanding, determined joint and worldwide efforts are vital.

"This is the only way to prevent outbreaks of religious and ethnic conflict, violent assertion of majority nationalism, trampling on minority rights, destabilizing whole regions, ultimately endangering world security," Goncz said.

Returning the toast, India's President Shankar Dayal Sharma said his people were aware of the huge task ahead for the Hungarian nation facing similar challenges. He was fascinated that deep changes in Hungary had been taking place with the full participation of her people.

Citing prominent scientists and artists who had added to the cultures of both countries, he spoke of improving cultural cooperation. India is among Hungary's main

trading partners in the developing world, and there are major ties in military technology, science and technology, health care, and academic research.

India watched with interest economic changes in Hungary, and belived that Indian and Hungarian policies would bear fruit soon.

The Indian president concluded with problems to be resolved by international cooperation, such as terrorism, human rights abuses, poverty, poor health services, and threats to political freedom.

"India and Hungary think alike on basic human values and work together at many forums on related challenges," Sharma said.

Jeszenszky, Slovak Minister View Relations

AU2007125193 Budapest NEPSZABADSAG in Hungarian 19 Jul 93 pp 1, 3

["K.T."-signed interview with Slovak Foreign Minister Jozef Moravcik and Hungarian Foreign Minister Geza Jeszenszky in Budapest; date not given: "Interview With the Hungarian and Slovak Foreign Ministers"]

[Text] At the time of the news conference of government heads [after the summit of Central European Initiative—CEI], a meeting of the Hungarian and Slovak foreign ministers was also held. They agreed that expert talks would begin on a number of disputed issues. After the hour-long discussions [Slovak Foreign Minister] Jozef Moravcik and [Hungarian Foreign Minister] Geza Jeszenszky answered our questions.

Moravcik: There Should Not Be Any "Issues"

[NEPSZABADSAG] In your view, in the current situation, what concrete measures would improve relations between Bratislava and Budapest?

[Moravcik] We agreed that the dialogue should be continued. We agreed on some very concrete issues, in such a way that the disputed issues will be further discussed by experts. The experts will prepare the necessary materials for us.

[NEPSZABADSAG] Considering the tone of the debates, do you see any point in such meetings?

[Moravcik] Yes, it is impossible to make progress in any other way. I am convinced that this is the only way to progress.

[NEPSZABADSAG] Is rapprochement possible?

[Moravcik] Definitely; the common interests dictate this to us. It is necessary to solve our disputes otherwise neither country will be able to achieve its general foreign political goals.

[NEPSZABADSAG] Does Slovakia find the Hungarian explanation of the ominous letter issue [Hungarian Prime Minister Antall's letter to Czech Prime Minister Klaus] satisfactory?

[Moravcik] At the meeting, I made the point that it will considerably improve the basis for bilateral talks and conditions will be better for solving the important tasks if Budapest refrains from such steps in the future.

[NEPSZABADSAG] Does this mean that you accepted the Hungarian explanation?

[Moravcik] We did not hold a lengthy discussion on this issue—we simply expressed our view.

Jeszenszky: Artificial Problems

[NEPSZABADSAG] Did you manage to come to any concrete agreements with Mr. Moravcik?

[Jeszenszky] We agreed that, on a high expert level, we will try to define the steps we need to make to achieve progress in certain issues.

In a given situation, these steps could form part of a bigger package.

[NEPSZABADSAG] What actual issues are you thinking of?

[Jeszenszky] For example the opening of new border crossing points. In my view, it is not only because of the mayors' current hunger strike [of two adjoining border towns] that this is important; we have been prepared for opening crossing points since last year at Letkes or Satoraljaujhely, among other places. However, this was declined by the other side claiming that the new Slovakia would have competence in this issue.

Now, I was very happy to hear that Moravcik expressed willingness to open border crossing points. I am aware of the fact that Slovakia is ready to discuss the opening of one or two crossing points as early as in the coming days.

[NEPSZABADSAG] Do you think that the letter issue has been settled?

[Jeszenszky] In my view, this is an artificial issue. In today's diplomacy, there are very many formal and informal ways of contact. In this case, a formal contact has also been made. What actually happened is that the Czech and the Polish prime ministers asked Hungary in a very friendly letter to make certain steps in connection with Slovakia's membership in the Council of Europe. We actually fulfilled this request.

[NEPSZABADSAG] Does this mean that letters were also exchanged with Poland?

[Jeszenszky] Naturally. I do not know how well known this was. In connection with Slovakia's Council of Europe membership, the point of the debate was that Slovakia had previously made certain promises, precisely at Strasbourg's recommendation. We found that

Bratislava was not fulfilling its promises. According to other views, Slovakia would make these steps after becoming a member of the Council of Europe. Therefore, there was nothing strange in the exchange of letters. It was not us who had initiated this, we responded to requests.

[NEPSZABADSAG] Did [Polish Prime Minister] Suchoka and [Czech Prime Minister] Vaclav Klaus receive similar letters from Antall?

[Jeszenszky] Every letter is different. All these kinds of letters are determined by the nature of relations, the contents of the previous letters, and so on. In case it is not known yet, I will inform people now that other kinds of diplomatic contacts have also been made in connection with Slovakia's acceptance to the Council of Europe—I myself wrote letters to a number of my colleagues in which I expressed my concerns, and I also indicated that Hungary was still interested in Slovakia becoming a member of the Council of Europe. Therefore, Hungary has no reason to feel either satisfaction or dissatisfaction in connection with the membership.

[NEPSZABADSAG] In your view, to what extent is this view understood in Slovakia?

[Jeszenszky] The atmosphere and the results of the current meeting were quite different from the previous ones. It seems that the CEI can also be a suitable forum for moving bilateral relations out of stalemate.

Transport Minister Receives Slovene Counterpart

AU2007142793 Budapest MTI in English 1816 GMT 19 Jul 93

[Text] Budapest, 19 Jul (MTI)—Hungary and Slovenia are to set up a Transport Cooperation Joint Committee, it was agreed on Monday [19 July] in Budapest in the course of talks between Hungarian Minister of Transport, Communications, and Water Management Gyorgy Schamschula and Slovenian Minister of Transport and Communications Igor Umek.

The ministers also agreed to work together in multilateral forums, for instance the EC and the Central European Initiative.

An ad hoc group is to be set up to work out the agreement on building the Ljubljana-Budapest motorway.

The ministers agreed to set up direct rail links between the two countries, perhaps by concession. They said developing the Koper Harbour was in the interests of both countries. The ministers support flights between the two countries, on the basis of an already concluded aviation agreement.

Number Living Below Subsistence Level Increases

AU2007132293 Budapest NEPSZABADSAG in Hungarian 20 Jul 93 p 5

["F.E.G."-signed report: "Two Million People Below the Subsistence Level?"]

[Text] In three years the number of people living below the subsistence level doubled in Hungary. While in 1989 only 800,000 people lived in such difficult conditions, this number was 1.6 million in the middle of 1992, the report of the Central Statistical Office states.

Statisticians define the subsistence level as an amount that is only enough for everyday living. At the moment, this level is at more than 60 percent of the population's average income. Although the last accurate survey on people living below subsistence level was done in the middle of 1992, taking the effects of the past year into account, their number can also be estimated for this year: This must be 2 million or even more. Some 400,000 people have to make do with less than 70 percent of the subsistence level.

The large number of dependent children and unemployment play the major roles in slipping below the subsistence level. Only 15 to 16 percent of households with one child, and 49 percent of families with four or more children are living on this low level. Some 10 to 15 percent of those living below the subsistence level over the age of 14 did not even complete basic schooling, and a further 39 to 45 percent only managed to finish the first eight years at school.

The fate of the 480,000 people unemployed at the middle of 1992 affected 1.5 to 1.6 million people through family ties. According to estimates, one-third of these were living below the subsistence level.

Households living on less than the subsistence level spend 40 to 60 percent of their income on food and 16 to 18 percent on the maintenance of their dwelling.

Opinion Poll Shows Four Parties Hold Lead

WS2007144993 Warsaw RZECZPOSPOLITA in Polish 20 Jul 93 p 2

[Report attributed to A.F.T.: "CBOS (Public Opinion Research Center) On Pre-Election Preferences; No Changes In the Lead"]

[Text] Forty-five percent of the persons who were polled by the CBOS intend to go to the polls. The parties that enjoy the greatest support are: the Democratic Union [UD], Polish Peasant Party [PSL], Non-Party Bloc in Support of Reforms [BBWR], and the Democratic Left Alliance [SLD]. The differences between them are insignificant: the UD is first, with a 14-percent support [as published], while the SLD is fourth, with support from 10 percent of respondents. The threshold of five percent has been crossed by the NSZZ [Independent Self-Governing Trade Union] "S" and the KPN [Confederation for an Independent Poland], both of them with the support of six percent of respondents; the Labor Union [UP] is at the borderline of five percent. Other parties are below the limit that has been set by the electorate law: the KLD [Liberal-Democratic Congress] (four percent), the ZChN [Christian-National Union] (four percent), and the "X" Party (three percent).

Compared to the previous opinion poll, support for the Polish Union and the RdR [Movement for the Republic] is smaller; this may have been caused by the fact that the opinion poll was conducted after the election schism of the PC [Center Accord] and the RdR.

However, if we take into consideration the intentions of those voters who are the most determined, that is, those who are absolutely sure that they will vote for their party, the most successful parties may be the SLD and KPN; the voters of the former are the most determined.

Those who are convinced that they will do the right thing voting for their party are the voters of: the PSL, UD, BBWR, KPN, and NSZZ "S." What strengthens the chances of the SLD is the fact that in the latest election, its voters concealed their sympathy for the SLD. The research is also optimistic for the UD. It is in the lead of the polls concerning the election preferences. Perhaps part of the KLD electorate, which does not exceed five percent, will want to vote for the UD in the election.

According to recent research, the UP should soon convince as many of its supporters as possible to go to the polls; then they would have a chance of receiving deputies' seats.

The research was conducted from 7 to 12 July with a group of 1,127 adults.

[Box, p 2]

Current Election Preferences[1]

Party	Percent
UD	13
PSL	12
BBWR	11
SLD	10
NSZZ "S"	6
KPN	6
UP	5

[1]People who intend to vote in the next elections.

Industry Minister Views 'Rifle Affair'

AU2007090693 Poznan WPROST in Polish 18 Jul 93 pp 65, 66

[Interview with Wieslaw Niewiarowski, minister of industry and trade, by Miroslaw Cielemecki; place and date not given: "Hendron's List"]

[Text] [Cielemecki] The American Ronald Hendron, one of the accused in the so-called Rifle Affair, has suggested in his memoirs that there were plans, organized by foreign states with the assistance of high-ranking members of the Polish authorities, to take over certain Polish defense industry factories and to bring about the collapse of others. The following were on Hendron's list of plants that were to be written off: Lucznik, Bumar, Mesko, Radwar. What do you think of these revelations?

[Niewiarowski] Those are the most important defense industry plants. I do not know how members of the Polish authorities could have them written off. The government, my ministry would never allow foreign powers to decide about the Polish defense industry.

[Cielemecki] The industry is almost on its last legs...

[Niewiarowski] In May 1992, the Sejm adopted general principles for the restructuring of the defense sector. We have a new military doctrine and we are bringing the defense industry into line with its principles. We have set apart 31 of the most important defense industry plants and those will function as state treasury companies. The list includes all the factories that Hendron mentions.

[Cielemecki] So, did Hendron invent everything?

[Niewiarowski] I do not know what to think. The so-called Rifle Affair is a strange business. Following 1989, when the traditional political division of the world began to disappear, the Polish defense industry and those of other former CEMA states began to pose a threat to others. Our defense industry was very good, it was well equipped and modern. To my mind, the Rifle Affair is a manifestation of the struggle that goes on between rivals competing against each other. It is a question of delivering a blow, of weakening the competition in the

marketplace, of creating more difficulties for the competition.... It is like war. Part of Polish society, some members of the authorities, and some journalists fell for those tricks. An atmosphere that was unfavorable to the defense industry developed in the country. So, those who arranged the "Rifle Affair" achieved their goal.

[Cielemecki] You mentioned the group of the 31 most important defense industry plants that have found themselves covered by the defense umbrella. What likelihood of survival do those firms have?

[Niewiarowski] The principles are as follows. The plants will be grouped together in four holding companies. They must function normally. However, there is indeed the problem of how this should be done in the current economic situation.

[Cielemecki] The main burden on these factories is the necessity of maintaining so-called defense reserves for the event of war. They do not stand a chance of being able to function normally under the conditions of a market economy when they have that burden weighing on them.

[Niewiarowski] We cannot give up defense reserves. I agree that the factories themselves cannot finance them; the state has to find the money for that. For the defense industry to survive, the state must also find funds for purchasing products from it for our own Army. Money must also be found for restructuring the industry.

[Cielemecki] But the state does not have that money and will not have it for a long time to come.

[Niewiarowski] Some of the plants will generate that money themselves, if only by developing civilian production. They have great opportunities, greater opportunities than other plants. They are more modern than the enterprises in other branches of the economy. At the outset, however, the money must be assigned by the state treasury.

[Cielemecki] So, who is the money to be taken from? What you are saying runs counter to the principles of Balcerowicz's economic reform.

[Niewiarowski] I admire [former Finance Minister] Leszek Balcerowicz greatly. A shakeup of industry, which had become sluggish and had been created in keeping with an abstract concept of the economy, was necessary. At that time, at the beginning of the reform, a very strong dose of medicine was essential. However, there were some people who believed that was the way the entire reform should be implemented. I regard the Balcerowicz plan as an introduction to further reforms. An extension of shock therapy would have negative consequences. Some politicians have come to believe that a true market economy can only be built on the ruins of the old one. That may be true, but how long will the restructuring process last? The administration of a strong does of medicine should at some stage be supplanted by a true reform, and modifications should be made to the form that changes have taken so far.

[Cielemecki] Does Poland have an arms industry lobby?

[Niewiarowski] It did not exist until recently; there was even an anti-lobby. There was a belief that there are no hostile military pacts, that there are no threats, and that we do not need an army. That is beginning to change now. A defense lobby is becoming visible.

[Cielemecki] Who is it composed of?

[Niewiarowski] A group of people connected with the Ministry of National Defense, Deputy Prime Minister Goryszewski, and my ministry. It is supported by the president and his circle of advisers, by, for example, Minister Milewski. The beginnings of a military lobby were also present in parliament. The effects are tangible: More equipment is being bought for the Army and a program for the restructuring of the defense industry has been produced. That is profitable for the state, defense industries all over the world stimulate other sectors of the economy. That should be the case in Poland too.

[Cielemecki] How will the defense industry holding companies function?

[Niewiarowski] The holding companies will encompass plants that have common interests, and that will increase their chances. They will, for example, be capable of launching joint investment projects that none of the plants would be able to pursue by itself.

[Cielemecki] Will every holding company have a supervisory board?

[Niewiarowski] The plants will run their own financial affairs, but there will be joint supervisory board, a center, and a chief.

[Cielemecki] So additional organizational bodies will be created? Won't this mean that we will have structure reminiscent of the old combines?

[Niewiarowski] No, they will not be the old form of combine. Monopolistic structures of a certain kind will indeed emerge, but that is essential in the defense industry. "The invisible hand of the market" that the liberals talk about does not exist in the defense industry. That is the case all over the world.

[Cielemecki] What will happen to the remaining 50 factories that have been included in the defense sector until now?

[Niewiarowski] They will have a free hand. They will be able to remain in the defense sector, but on terms dictated by the free market. However, they should above all expand their civilian production and function like all the rest of industry. They must increase productivity and restructure. Poland cannot afford the large defense

industry that it once had. There must be reductions in the defense industry in the same way as in other branches of industry.

[Cielemecki] To what extent does the state treasury now support Mielec, which is "31 on the list?"

[Niewiarowski] It no longer does. In November 1992 there was a crisis and people took to the streets. Mielec, according to the agreement that I concluded at the time, was to carry on receiving help from the state until the end of February of this year. That has now happened, and no more subsidies are being paid. Aviation plants are receiving more and more orders and labor productivity has increased in them. A special economic zone is being set up in Mielec and it will absorb what is rejected by the aviation industry. Mielec confirms my thesis that even now, in a time of economic liberalism, a certain degree of state interventionism is essential.

[Cielemecki] The national aviation lobby is skeptical about construction of the Scorpion strike aircraft. It believes that if the plant fails, the entire aviation sector will be ruined.

[Niewiarowski] For the time being, the Scorpion is only an idea that still requires a great deal of thought. However, it is not true that if the program fails, that will affect all of Polish aviation. The program might be realized, but cautiously, under supervision. It will be done in such a way that, if it has to be suspended, it will not result in great losses.

[Cielemecki] The program for the development of another military aircraft, the Iryda, has still not been completed, and we are already funding another one.

[Niewiarowski] But the Iryda is already flying. The only contentious points concern the engine and certain avionics elements. However, that is only a question of time. We are close to finding a sensible way out. The Polish engine will be modernized with the help of a well-known British firm.

[Cielemecki] What is happening about the tank factory at Labedy? The contract with Pakistan, which was to save it, is apparently no longer a possibility?

[Niewiarowski] That contract might still be realized although the competition is not asleep. There are certain problems of a technical nature that have to be overcome; it is a question of the ammunition. However, that can be solved. It will be finally resolved over the next two months. The Pakistan contract is not the only thing that can save Labedy. Other states are also interested in Polish tanks.

[Cielemecki] But some of them are on the so-called negative list.

[Niewiarowski] The lists drawn up by the United Nations are not open to any kind of discussion. Other potential customers are a subject that should be discussed in Poland, although not in a public forum, which is obvious. Economic interests are sometimes as important as political interests.

[Cielemecki] Which Polish defense industry plants will get over the crisis fastest?

[Niewiarowski] The aviation industry will be the first. The helicopters already have certificates—European and American ones. New markets have appeared in, for example, Africa. The industry processing materials will pick up somewhat later, and that will give a boost to the ammunition industry. The electronics sector has bought new technology, and that will yield results. The shipbuilding industry is receiving an increasing number of orders.

Planned Defense Industry Strike Suspended

LD1907194893 Warsaw Third Program Radio Network in Polish 1900 GMT 19 Jul 93

[Text] The defense industry strike planned for 28 July has been suspended.

[Reporter] A protocol was signed following talks which had been taking place at the Ministry of Industry and Trade from 1100. Stanislaw Glowacki, chairman of the Solidarity defense section, and Deputy Premier Henryk Goryszewski put their signatures on the protocol. The government will set up a team of experts which will, by 26 July work out a plan and guidelines for the financial restructuring of defense industry enterprises. On the basis of these guidelines, a plan will be formulated and presented by Deputy Premier Henryk Goryszewski to the national defense industry section of the Independent Self-Governing Trade Union Solidarity.

Tomorrow the Council of Ministers will examine a draft regulation on designating appropriate bodies, which will allocate duties and tasks in order to maintain the manufacturing and overhaul capacity necessary for the purpose of defending the state in case of a war threat.

Situation of Arms Industry Enterprises Described

WS2007144693 Warsaw RZECZPOSPOLITA in Polish 16 Jul 93 p 7

[Article by Antoni Kowalik: "Arms Industry: Rickety Balance; There Is a Program, Too Little Money"]

[Text] The arms industry, which has so far been in a deep depression, is beginning to achieve a rickety balance, said Roman Czerwinski, deputy minister of industry and trade.

Out of the 31 enterprises that have this special status, 21 earned a so-called operational profit in the first month of this year; this means that the production costs in those plants were at last lower than the revenues obtained from the sale of their products. At the 15 July press conference it was stressed that the improvement was made possible,

among other things, through a 50-percent layoff in this industry, cooperation with foreign partners, and orders from the Army. The factory in Swidnik, for instance, has delivered a few helicopters to the Army this year.

The balance is indeed very rickety, because all of these factories are heavily in debt. Their liabilities are, on average, one and a half times greater than the money they should receive. If the Finance Ministry wanted to take from the companies what they owe to the budget, or if the workers forced considerable wage raises, then each of the enterprises would be threatened with bankruptcy. The debt burden, which was 8.1 trillion zlotys in 1991, increased to 14 trillion in the first quarter of this year and is still growing. Twenty companies still are not creditworthy.

Those enterprises that are implementing repair programs and adjusting the number of their employees to their production volume, are slowly overcoming the deep financial problems. This is, however, not possible everywhere, also for social reasons. There are enterprises that are the only big plants in a given region; it is there that the restructuring process is the hardest. It is enough to say that this industry used to manufacture equipment for the Soviet Union each year: a few hundred helicopters, 700 armored transporters, and 600 artillery tractors. This production must now be abandoned. This is not easy: the production was immensely dispersed, and it involved (also for strategic reasons) many cooperation partners. Not long ago, in 1990, the overall number of enterprises catering to the Army was 250, including 82 companies that had a special status. Now only 31 enterprises have the status, and none of them are catering exclusively to the Army. Most of them are exploiting only 50 percent of their production capacity. The main reasons for such a situation are: the demand barrier, insolvency of the recipients, embargo on the delivery of military equipment, which limits the traditional markets, as well as unfinished investments and lack of resources for improving the competitiveness of products.

Therefore, the defense industry calls for a rapid and profound restructurization, the main principles of which have been prepared at the Ministry of Industry and Trade. As was explained by Minister Waclaw Niewiarowski, its purpose is the improvement of the economic condition of the enterprises, curbing the progressive degradation of this branch of industry, as well as ensuring a production that would be in line with the defense doctrine and needs of our Army.

The implementation of this program is scheduled for a period of four years; its costs will reach 6 trillion zlotys. The program envisions the establishment of four holdings which would altogether group 27 enterprises. The goal of this is, among other things, concentrating the military production and using redundant production capacities for production for the civil market.

The program is, however, either not being implemented at all, or it is being implemented extremely selectively, because no money for the restructurization of the industry has been earmarked in the budget. The 1.2 trillion zlotys that has been allocated this year is simply unrealistic.

This is the first reason why the programs for restructuring the arms industry are turning into wish lists. It seems, therefore, that repair programs and business plans drawn up by individual enterprises should be financed with their own resources, which, however, the companies that want to be restructured do not have. Foreign money for armament is out of the question, whereas in domestic banks it is inaccessible, because the enterprises mostly lost their credit worthiness a long time ago.

According to the information we obtained at the conference, on 19 July, talks between representatives of the Industry and Trade Ministry and arms industry trade unions are to be held; the unions are once again threatening to organize strikes if the government does not meet their conditions.

We want to find out what the conditions are; we also inform the unionists about the steps that are being taken. I believe that after these explanations, the unionists will no longer want to keep their promises, said Minister Niewiarowski.

Debt burden of the defense industry:
1991—8.1 trillion zlotys
1992—12.5 trillion zlotys
First quarter of 1993—14 trillion zlotys

Proposed expenditure on the defense industry:
1993—1.2 trillion zlotys
1994—1.3 trillion zlotys
1995—1.8 trillion zlotys
1996—1.7 trillion zlotys

Defense Minister To Run for Parliament

LD2007201693 Warsaw Radio Warszawa Network in Polish 1800 GMT 20 Jul 93

[Text] Minister of National Defense Janusz Onyszkiewicz has acquainted himself with the organization of Krakow Military District, which is in the process of being formed. One of its units is the famous Sixth Assault Commando Brigade which is to become the embryo of the so-called Rapid Deployment Forces.

Minister Onyszkiewicz announced at a news conference that he will be a candidate in the coming parliamentary elections. It is not known, however, on which list his name will appear nor in which district.

Janusz Onyszkiewicz said that only the army is apolitical and not the civilians who head the Ministry of National Defense. According to him the minister of national defense must be a politician because he is a member of the government. As a civilian politician he can take part in political activities—one of the elements of which is the possibility of taking part in elections.

EC Delegation, Melescanu Discuss Ties

AU2007181493 Bucharest Radio Romania Network in Romanian 1700 GMT 20 Jul 93

[Text] It is possible for the European Parliament to give the go ahead for the ratification of the accord on Romania's association with the European Community, according to the head of the European Parliamentary Delegation for Relations with Albania, Bulgaria, and Romania, Mr. Alexander Langer, after a meeting this evening between his delegation and Mr. Teodor Melescanu, minister of foreign affairs.

The leader of the European parliamentary delegation said that at the meeting the two sides discussed Romania's relations with the European Community and neighboring countries, the problem of compensation for losses suffered by Romania as a result of the observance of the embargo imposed against Yugoslavia, and the need to improve the political dimension of EC relations with associate countries, our reporter has informed us.

Iliescu Meets With Delegation

AU2107114593 Bucharest ROMPRES in English 1122 GMT 21 Jul 93

[Text] Bucharest, ROMPRES 21/7/1993—Before concluding a visit to Romania, the delegation of the European Parliament for Relations with Albania, Bulgaria and Romania, headed by Alexander Langer, called on Wednesday, 21 July, on Romania's President Ion Iliescu.

"During our talks, President Iliescu informed us on his opinion as regards Romania's transition to a more democratic and prosperous country," said Mr. Langer in a brief statement after the interview.

"Both sides agreed that sacrifices must be made for this and I believe that the European Community is ready not only to support them but also to take part in it. Obviously Romania, by its history and geography, is an important part of Europe, but now it is a matter of growing its relations with the European Community," said Mr. Langer.

Nastase on PDSR's Platform, Goals

AU2007104393 Bucharest CURIERUL NATIONAL in Romanian 13 Jul 93 pp 1, 3

[Interview with Adrian Nastase, executive president of the Social Democracy Party of Romania, PDSR, by Ioan Rosca; place and date not given: "The Social Democracy Party of Romania Is a National Party Engaged in a European Action"]

[Text] [Rosca] Winner takes all—this is the motto of the competitive world we live in. What is winner Adrian Nastase, who has actually won a battle, going to take and, more important, what is he going to give?

[Nastase] In politics, it often happens that the winner is just assuming more risks. I do not know whether this is necessarily a plus, since the winner undoubtedly becomes a target—both internally, because the people within the party are pinning a lot of hopes on the leader, and externally, as there are a lot of expectations coming from there, too. Of course, some of these expectations cannot possibly be fulfilled, since, in the last instance, the existence of differences also justifies the existence of the multiparty system. This inevitably leads to discontent. A winner, to use your words, must think in terms of how he should react to extant circumstances, how fast he should do that, and what he has to offer. A most important task for the coming months is probably going to be the territorial and central organization of the party. To me, this is a priority for the Central Executive Bureau, which will start, as of this week, to organize its departments and activity at the central level and to complete its merger with the other three parties at the local level.

[Rosca] There is a very interesting idea in the party's political document. The Social Democracy Party of Romania [PDSR] considers the political scene as a competitive market where one needs managers and management in order to succeed. Would you please elaborate on that?

[Nastase] We proceeded from two realities. The first is that our party won only 28 percent of the votes at the last elections. Even though our party won the largest number of votes, it is still a minority party. It must proceed from the premise that its further action depends on the result of the next local and general elections. Regarding the result of a recent poll conducted by the Romanian Public Opinion Poll Institute, which showed that the Democratic National Salvation Front [FDSN] still enjoyed 24 percent of the electorate's trust, that is a loss of only 4 percent after seven months of government, I would like to point out that we managed to cover this loss through the mergers we have achieved. Since we accepted the task of further governing the country, the party's erosion will continue. If we are not going to think in terms of electoral competitiveness and if we fail to attract further people to the party, particularly at the local level, we will risk very much in the medium term.

[Rosca] Therefore, what is the signal that the PDSR should give for becoming more convincing and attractive?

[Nastase] FDSN was viewed more through the figures representing it, rather than through its political message. A party's message and doctrine are essential. Therefore, the transition from a front—which means an amalgamation of people with a single, or several common, but immediate, goals—to a party structure proves the existence of a long-term project and the need for ideological clarifications. After the revolution, at a time of ideological saturation after the previous period, one went to the opposite extreme and took out ideology from the programs of the parties, all of which confined themselves to putting forward concrete offers for solving problems. This cannot last too long and the parties have to assume

a certain ideology, on the basis of which they can then advance various government formulas.

This is what we are trying to do now, namely to define clearly the political strategy on whose basis we can work out our governing programs at any time. Our progressive pragmatism arising from the principles included in our future program is not tantamount to a formula of neutrality, but is an integral part of a social democratic message we have presented in detail. We exclude from our options the liberal-type formula, which exaggerates the importance of free initiative, by eliminating the state's role. We believe that the values assumed by us—freedom, justice, and social solidarity—cannot justify the removal of the state's functions from either a national, economic, or social viewpoint.

[Rosca] Nevertheless, Mr. President, the signals coming from the electorate justify the assertion that the surest way to attract popular support is the economic message in its most simple form, namely increasing the living standard...

[Nastase] This is quite obvious and we are all aware of it. We tried to provide an answer in the political declaration of the party's conference, by asking the government to take steps to stimulate production recovery; resolve the financial blockage; strengthen financial discipline; promote the law on economic contracts; reorganize autonomous enterprises; implement management contracts; reduce the trade balance by giving impetus to exports; stop the devaluation of the national currency, including by bringing home the currency assets of the state-owned companies; urgently review the activity of state-owned banks; utilize existing monetary funds and implement the interest-rate mechanism; renounce the grain imports by stimulating the harvesting of local wheat; buy and store wheat for bread production; and ensure that the government urgently adopts a winter program by setting up the necessary fuel stocks until 31 October 1993.

This is our answer to the country's economic situation, which—depending on how it is going to be implemented by the government—will hopefully enhance our much needed credibility with the electorate.

[Rosca] There was much talk about "modernity" and "dynamism." How do you see these two traits of the PDSR and, what is more, how will they be projected outward?

[Nastase] We cannot remain a provincial party while, so to speak, the opposition parties are constantly in touch with various foreign foundations that sponsor their cadre training and organize seminars, visits abroad, and so forth. We cannot remain self-complacent just because we have a strong party, otherwise we might find out at the next elections that we are most vulnerable. If this is not understood, the relative inner-party self-sufficiency might lead to disaster in the future. I believe we need a lot of dynamism, and we must also realize that a political party is not a mere inner entity, just for the country. Our party must be engaged in a European action, which implies lobbying, contacts, and various influences. All this is most important, because our party no longer operates in an autarchic system.

Labor Office Reports Unemployment Statistics

AU2007155193 Bucharest ROMPRES in English 1104 GMT 20 Jul 93

[Text] Bucharest ROMPRES 20/7/1993—1,041,858 jobless, of which 960,387 on benefit (allowance)-rolls, that was the situation of unemployment on July 19, according to data available at work offices. 843,341 of the unemployed were workers, 110,017 high school graduates and 1 6,029 higher school graduates. 527,330 jobless were on benefit-rolls and 433,057 on support allowance-rolls.

The unemployment rate stood at 9.4 percent on July 19, after it had dropped to 9.2 percent in early July.

5,633 work places were registered as free in mid-July, 5,633 for workers and 385 for high and higher school graduates.

Foreign Media Bulletin: Balkan Crisis 21 July

WA2107164393

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Fighting continues on outskirts of Sarajevo ... Muslim-Croat clashes in central Bosnia reported ... Bosnian Serb leader Karadzic says agreement depends on lifting of sanctions ... Russian special envoy Churkin criticizes Bosnian President Izetbegovic for missing peace talks ... UN official reports detention of Mostar Muslims on Croatian island.

MILITARY

BATTLE FOR MOUNT IGMAN (Sarajevo Radio, TANJUG): Sarajevo Radio contends Muslim forces have repelled a Serbian offensive on Mount Igman and have "consolidated their ranks" in preparation for an "attack in the direction of Trnovo," a town recently captured by Serbian forces. TANJUG claims Serbs have moved the "defense lines" into "occupied territory" on the hill during a "strong counteroffensive" that inflicted "heavy losses" on the Muslim forces. (AU2107092193, LD2007212293)

MUSLIM-CROAT CLASHES REPORTED (Zagreb Radio, TANJUG): Zagreb Radio says dozens of Muslims have been killed during "unabated" attacks on Bugojno by the Bosnian Army. Serbian units in area charge Croats are burning Muslim villages, expelling residents in region between Mostar and Stolac. (LD2007182893, LD2107085893)

POLITICAL

KARADZIC ON POSSIBLE AGREEMENT (Belgrade Radio): Bosnian Serb leader Karadzic says Serbs will demand that any agreement on a peace plan will be "dependent upon the lifting of sanctions" on the FRY. Karadzic also dismisses Bosnian Presidency plan to turn Bosnia into a federation as a "disguised version of a unified state," says Presidency is "wasting time." (AU2007173893)

HUMANITARIAN

DETENTION OF MUSLIMS REPORTED (AFP, Sarajevo Radio): UN official says 511 Muslims have been "abducted" from their homes in Mostar and are being detained by Bosnian Croats on island off Croatian coast. Sarajevo Radio reports Croatian "ethnic cleansing campaign" in Mostar, detention of "several thousand civilians" in camps around city. (AU2107142493, AU2107145293)

DIPLOMATIC

CHURKIN ON IZETBEGOVIC ABSENCE: TANJUG quotes Russian special envoy Churkin as saying Bosnian President Izetbegovic's absence from Geneva peace talks, in protest over a Serbian offensive in Sarajevo, is "not sufficiently justified" because Muslim forces are "on the offensive on other fronts." (LD2007181793)

Serb Offensive at Mt. Igman Continues

'Considerable' Muslim Losses

LD2007212293 Belgrade TANJUG Domestic Service in Serbo-Croatian 1948 GMT 20 Jul 93

[Text] Belgrade, 20 Jul (TANJUG)—Fighting between Serb and Muslim formations in the area of Mt. Igman, southwest of Sarajevo, goes on; Serb fighters have moved the defense lines 2 km into occupied territory in a strong counteroffensive, inflicting heavy losses on the enemy, the SRNA news agency reported this evening, citing a statement released by Serb military sources in Lukavica.

Muslim forces have lost nine men on the slopes of Mt. Igman and suffered considerable losses in military equipment, SRNA says.

The Muslims have been opening intense fire from the direction of Mojmilo on Serb defense positions in Lukavica.

It was relatively calm in the other sectors of the Sarajevo front today, with the exception of the usual Muslim sniper activities, SRNA reports.

Izetbegovic Calls For Intervention

AU2007191893 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 20 Jul 93

[Text] I must inform you that the (?Serbian) aggressor has again launched a fierce offensive against the security zone of Sarajevo, attacking from two directions with the intention of (?cutting the town in two), says a letter that Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, today sent to UN Secretary General Butrus-Ghali, UN Security Council Chairman [Sir] David Hanney, Victor Jackovich, U.S. Ambassador to Bosnia-Herzegovina, as well as to the UN Protection Force Commanders, Generals Cot and Briquemont.

(?The Serbian) forces are planning an all-out attack on the town along the entire front, Izetbegovic's letter goes on, and adds: The aggressor directed strong forces toward Mt. Igman, where his helicopters has violated the no-fly zone on (?three) occasions over the last two days. For this reason I call upon you to intervene immediately and prevent this latest act of aggression against the Republic of Bosnia-Herzegovina, says the letter.

Muslim 'Counteroffensive'

AU2007184393

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1700 GMT on 20 July reports the following major combat activities in the Republic:

A dispatch by the First Corps of the Bosnia-Herzegovina Army says that "the fighting is continuing with unmitigated ferocity on Igman today." The Bosnia-Herzegovina Army is reported to have "scored certain successes" in the course of the day. "Although it is perfectly obvious that the chetniks will continue their attack on Igman, the defenders are slowly turning the situation to their advantage," the report says. It is reported that the defense lines in the Trnovo valley and on Igman "are firmer than in previous days," and that "attempts to break through our lines have been thwarted." "The situation in this region is completely under the control of Bosnia-Herzegovina Army units," the report says and adds that "all attacks" on Hrasnica were also repulsed. According to the report, the Bosnia-Herzegovina Army is pushing the Serbs in Golo Brdo toward Hadzici. "The forces that are defending Igman halted the aggressor with unprecedented bravery and self-sacrifice. Their lion-like struggle today bore fruit and the conditions are being created for the continuation of the counteroffensive," the report goes on. It is also stated that "the enemy has suffered great losses during the last five days." "Sarajevo was relatively peaceful, just like the previous ones," the dispatch concludes.

Correspondent from Bugojno Mujo Delibegovic says that "units of the so-called Croatian Defense Council [HVO]" started new clashes with the Bosnia-Herzegovina Army in Bugojno." "However," it is reported, "they did not have much success. Our units destroyed a large number of HVO strongholds and liberated part of the town and nearby villages." As Delibegovic reports, the HVO in the Bugojno-Kupres area "left the defense lines to (?the chetniks) and by this proved once again that they have quickly forgotten last year's enormous losses of the Croatian Army and the HVO on the Kupres front, thus confirming that [word indistinct] sacrifices mean nothing to them."

Serbs Continue Attacks

LD2007171393 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 20 Jul 93

[Report from Sarajevo by Ranko Mavrak]

[Excerpt] Serb attacks on Bosnia-Herzegovina Army units on Mt. Igman continue unabated, although it seems that the Serb advances have been somewhat slowed down. Incomplete reports say that members of the Bosnia-Herzegovina Army have managed to consolidate their positions, which temporarily removes the danger of the complete cut-off of Sarajevo. In view of the ferocity of the fighting, it is interesting that Mustafa Hajrulahovic, the recently dismissed commander of the 1st Corps of the Army of Bosnia-Herzegovina, and Ratko Mladic, commander in chief of the Serb army, have met through the mediation of the UN Protection Force. This meeting took place yesterday in utmost secrecy, so much so that the spokesmen of the UN peace-keeping forces even refused to disclose at a news conference today where the meeting had taken place. [passage omitted]

Muslims Continue Attacks

AU2007151893

[Editorial Report] Belgrade Radio Beograd Network in Serbo-Croatian at 1300 GMT on 20 July carries within its regular 35-minute newscast several reports on the war in Bosnia-Herzegovina.

According to the studio announcer, "Sarajevo has been characterized today by Muslim mercenaries sniping at Serbian districts. The Muslim armed forces used mortars to fire on Serbian positions near Doboj this morning. Muslim artillery fire on the Teslic part of the front was accompanied by frequent sniper fire. The defenders of the Serbian commune of Skelani last night neutralized a three-man Muslim subversive terrorist group near the Peruca hydroelectric dam. It is assumed that it came from the Srebrenica area and managed to reach the left bank of the Drina River thanks to the thick forest. In this clash with the extremists, the Serbian side did not suffer any casualties."

A correspondent from the Sava basin, reporting on the situation on the Orasje front, says that "Croatian forces last night launched a fierce artillery attack from the occupied Serbian village of Vucilovac on Serbian positions and civilian targets around the Serbian village of Krecici. They used 120-mm mortars. As a consequence, six civilians and two Serbian fighters were wounded."

According to the studio announcer, "the so-called Army of Bosnia- Herzegovina today continued its exceptionally strong attacks in the Mt. Igman area. The attacks have been going on for several days. In their attack on Serbian positions they used all available artillery and infantry weapons. The Muslim formations are receiving significant reinforcements from central Bosnia in terms of both men and equipment."

Visegrad correspondent Radoje Tasic reports that "a convoy of a dozen trucks with humanitarian aid heading for Gorazde was again stopped in Medjedja, near Visegrad. The trucks with food, which are escorted by the UN observers' mission, were stopped by a hundred or so women and children from Rudo and Visegrad whose husbands, sons, and brothers are in a Muslim prison in Gorazde. The women, who blocked the road with their bodies in Medjedja, demand that the observers contact the Muslim army command in Gorazde and organize negotiations on the exchange of prisoners of war, according to the principle of all for all."

Muslim Villages 'Torched' by HVO

LD2007182893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1735 GMT 20 Jul 93

[Excerpt] Trebinje, 20 Jul (TANJUG)—Muslim-populated villages between Stolac and Mostar went up in flames today after being torched by members of the Croat Defense Council [HVO] who had expelled the forces of the so-called Army of Bosnia-Herzegovina, the command of the Serb units for that section of the Herzegovina front has announced.

The old quarters of Stolac, predominantly Muslim-populated before the war, were reduced to ashes last night. Earlier on, the HVO had rounded up the majority of the Muslim population in the Stolac municipality and detained them in prisons in Capljina and Mostar. [passage omitted]

Muslim Army Attacks on Bugojno Continuing 'Unabated'

Dozens of Muslims Killed

LD2107085893 Zagreb Radio Croatia Network in Serbo-Croatian 0800 GMT 21 Jul 93

[Text] Attacks by the Muslim army on Croatian villages in the municipality of Bugojno are continuing unabated. Muslim units from Bugojno, Donji Vakuf, Jajce, Sipovo, Travnik, and Zenica have been joined by a mojahedin brigade. Despite that, following two days of continuous fighting, the Croatian Defense Council [HVO] of Bugojno managed to rout a Muslim stronghold in the suburb of Vrbanja and link up parts of its forces. Three HVO fighters have been killed, and two others were wounded. According to reports currently available, 36 soldiers were killed, and 40 Muslim soldiers were captured. Fierce fighting is continuing in Bugojno and surrounding villages this morning.

HVO Recaptures Villages

LD2007150693 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 20 Jul 93

[Excerpts] The Muslim army, reinforced by fresh forces that have been constantly arriving from Travnik and Zenica, is continuing its attacks on positions of the Croatian Defense Council [HVO] and Croatian villages in the Bugojno area. Heavy fighting has been raging without respite since yesterday morning. This afternoon these battles reached their highest level of intensity. Exploding artillery shells are ringing out around Bugojno nearly every second. In addition to the artillery battles, fierce infantry battles are also raging. The most intense fighting is taking place in the district of Vrbanja, where the Muslim forces have been encircled. [passage omitted]

The Defense Department of the Bugojno HVO today called on all the reservists from this municipality who are not in Bugojno to immediately report to the Operational Zone Command in Tomislavgrad. The failure to heed this call-up will be regarded as desertion.

There were no battles in central Bosnia. Kiseljak and Kresevo are almost totally quiet. Military sources within the HVO believe that the absence of Muslim attacks is a result of the Muslim army's involvement in heavy fighting with Serbian forces in Igman. In the latest battles around Kresevo, HVO forces have managed to recapture some important positions on Mt. Inac. The villages of

Bakovici and Gajevici in the Fojnica municipality are again under HVO control, so the civilians are returning to their homes.

Fighting has intensified between the HVO and the Muslim army around Zepce and Zavidovici. Muslim artillery is pounding the southern part of the Zepce municipality. Heavy infantry battles around Zavidovici are raging against the backdrop of deafening explosions of tank and artillery projectiles. One HVO member died in the fighting around Zepce. HVO military sources have said that the Muslim army is using a new kind of shells on this battlefield, which, if the inscriptions they bear is anything to go by, were manufactured in Arab countries. [passage omitted]

Brcko Front Lines 'in Flames'; 3 Serb Tanks Destroyed

AU2107092193

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 21 July carries in its regular 17-minute newscast several reports on the continuing fighting in the Republic.

Hamiz Deronjic reports from Brcko that "only the Serbian fascist mind totally deranged with hatred could have come up with what happened this morning at 0330 [0130 GMT] on the free territory. The Serbian aggressor launched a fierce attack with howitzers, tanks, and 120-mm mortars against the entire Brcko territory. They fired at residential areas and roads, killing six and severely wounding 15 civilians. The material damaged is vast. Following this initial attack, the aggressor turned 155-mm and 203-mm howitzers, multiple rocket launchers, and recoilless guns against the positions of the Brcko heroes, the legendary corridor fighters. The 66-kilometer-long front line, from Dubrave, Bukovac, and Bajici, to [word indistinct] is in flames. We also hear that the aggressor is pounding the neighboring Satorovici. After the fierce artillery onslaught, the chetniks launched a frontal tank and infantry attack against the Brcko defense lines. The attempt at an infantry breakthrough in the region Brod-Suljagica Sokak has been repelled. The aggressor has now turned its armor and infantry against the defense positions in (?Vitanovici) and Bajici." He says that "our defenders have already destroyed three enemy tanks and one transporter. At the moment, the tremendous shelling of the defense lines and the free Brcko territory is intensifying."

The Gradacac Information Center first gives an account of the fighting yesterday, and then says that "the night was marked by enemy small arms fire. There were two attempts at an infantry breakthrough in the region of Krecane Gornje and Mionica. However, these attacks were easily repulsed."

An unidentified correspondent reports from Olovo that "last night, from their infamous strongholds in (?Brda) and (?Arapovci), the chetniks pounded the entire defense lines with tanks, Vis, Bofors, and 120-mm mortars, particularly the area of (?Olovske Luke). The villages in the Krivaja River valley were also shelled on several occasions." She says that "the early morning hours in Olovo started with the shelling of the defense lines, but nevertheless they remain stable."

The Bugojno Press Center reports that "after yesterday's shelling by the Croatian Defense Council [HVO] artillery, including multiple rocket launchers, the town center is a sorry sight indeed. The fire caused by an incendiary shell fired from the HVO positions burned the Jadran Hotel down to its foundations."

The studio announcer cites the Bosnia-Herzegovina Army First Corps Press Center as saying that "the entire front line on Mt. Igman has been stabilized, and the situation is under the control of the Bosnia-Herzegovina Army. Although the Army positions have constantly been exposed to heavy artillery attacks during the last five days, the defenders have repelled virtually hundreds of infantry attacks from all three directions and created the conditions for a counterattack and the return of the lost positions. On the eastern part of the front toward Trnovo, our forces have consolidated their ranks and are ready to attack in the direction of Trnovo. As for Golo Brdo, most of our previous positions have been recaptured."

Fighting in Tuzla, Bihac, Konjic, Hadzici, Maglaj

AU2007151693

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1300 GMT on 20 July carries in its regular 39-minute newscast several reports on the fighting in the Republic.

Salih Brkic reports from Tuzla that "it was bad overnight at the Mt. Majevica front, where the Tuzla defenders came under attack from 82-mm and 120-mm mortars and antiaircraft guns. It is relatively quiet now in Banovici, Zivinice, and Kalesija, but last night the chetniks used 120-mm mortars and a tank from Zelinja and Vukovine to pound Kalesija." He says that "this morning the Mt. Ozren chetniks used a T-1 cannon against Turija, and antiaircraft guns against (?Zelik). The situation later calmed down."

Reporting from Bihac, Halid Alijagic says that "the situation in the zone of responsibility of the Bosnia-Herzegovina Army Fifth Corps and [word indistinct] of the Croatian Defense Council [HVO] has been marked by chetnik small-arms fire, with occasional shelling of our defense lines and civilian targets. The most intense enemy activity has been on the Bosanska Krupa part of the front. The gunners of the Fifth Corps yesterday destroyed a tank that had been targeting civilian targets in Bosanska Krupa." He says that "it has been quiet this morning in Bihac with the usual provocative enemy small arms fire and occasional shelling."

In her report from Konjic, Borka Rudic says that "the brave fighters of the Bosnia-Herzegovina Army Sixth

Corps have been successfully resisting attempts by the united aggressors to endanger the free territory of the Konjic commune. The attacks, which started this morning and are continuing unabated, have been coming up against a solid wall of defense at the access points to Konjic and other parts of this front. As for the other fronts in the zone of responsibility of the Sixth Corps, their forces on the Fojnica front have surrounded the remnants of the HVO extremists, thus thwarting their attempt at a breakthrough toward Kresevo."

Jadranka Milosevic reports from Hadzici that "it was quiet this morning but overnight countless shells of all calibers were fired at the defensive positions on the south and central sector of the Hadzici front. They used 152-mm and 105-mm howitzers, 82-mm and 120-mm mortars, and a tank in the attack. They also used a multiple rocket launcher on four occasions." She says that "it is deceptively quiet now."

Reporting from Maglaj on a very poor line, Hajrudin Sermic says that "artillery attacks have been going on unabated since this morning."

Ethnic Cleansing by Croats Reported Near Mostar

AU2107062593 Paris AFP in English 0259 GMT 21 Jul 93

[by Michel Moutot]

[Text] Obonjan Island, Croatia, July 21 (AFP)—Bosnian Croat forces have been carrying out large-scale ethnic cleansing of Moslems for the last three weeks around the central Bosnian city of Mostar, refugees said Tuesday.

Officials caring for the refugees, who have been shipped out to this small island off the Croatian coast, also charged that authorities in Croatia proper have been involved in organizing their transit out of the region.

In one of the first accounts of the operation, the refugees told an AFP correspondent that since the start of July all Moslem men around Mostar had been systematically rounded up by Croatian army (HVO) forces and prepared for deportation.

"Every Moslem man in Mostar and in the surrounding villages controlled by the HVO has been systematically arrested since June 30 and imprisoned in heliport buildings 10 kilometers (six miles) south of the town," said Edo, 25.

"There were several thousand of us in there, some said six thousand ... six months ago I was in the HVO fighting against the Serbs. I told them that when they came to seize me, but they said that didn't matter."

Edo was among the group of more than 300 refugees—men, women and children who have been shipped out to this small island off the southern Croatian coast near Sibenik.

The refugees, mostly from Mostar and surrounding villages, said they had been forcibly transported in eight buses by HVO officials across the border with Croatia.

More seriously, they insisted that they had been transferred to this island with the approval of the Croatian authorities.

"These 331 Moslems have been chased out of Mostar and are here in transit before they depart for another European country," said Miroslav Maslac, head of the centre where they are being held, formerly a holiday camp.

Andreas Bleschkowski, a German doctor working for a Croatian medical agency, says "their presence here proves the direct participation of Croatia in the ethnic cleansing of Moslems from Mostar."

Bleschkowski added that, "several of them have obvious signs of having been tortured: broken ribs, bruises, heart problems."

Since May 9 Mostar has been caught in a bloody battle between HVO forces and Moslem-led Bosnian army troops on either side of the river Neretva. The town is out of bounds for journalists, aid agencies and even U.N. forces in the area.

"Since that date, the situation has become increasingly untenable for the Moslems on the right bank of the river, held by HVO forces," says Edo, previously a hotel receptionist.

"The Croats check everyone's papers the streets, search every house and send every Moslem male over 14 years old to the heliport."

His friend Sacha, a 21-year-old waitress, added, "HVO trucks arrived in my road in the Kolochvorska district. They threw me into them, along with all my Moslem neighbours."

As this was happening, she said, "I caught the eye of Croat friends; they were ashamed, but none of them did anything." None of the refugees here will give more than their Christian names, for fear of reprisals back home.

Mehmet, 38, a former postman, said, "Armed men came and got me on June 1. I was lucky, they were the HVO military police. At least they don't kill you where you stand."

His wife Almasa added that "The HVO allowed women and children who were prepared to leave everything behind to cross over to the left bank."

At this Souad, 24, said, "If I had been able to cross the river, I would have done so to fight against the Croats, after having fought the Serbs by their side."

On Friday, the refugees said, their guards at the heliport camp began rounding up all those who had foreign visas or relatives living in western Europe—except people who had family members in the Moslem forces.

"Those people remained as hostages," said Emir, 58, a former officer in the Yugoslav army. "The guards came round the next day with a list of names. They said we had an hour to return home and to get on the bus.

"I found a Croat family living in my apartment. Croat neighbours gave me a letter from my wife saying she had left from Zagreb."

Edo, his voice trembling, explained, "My father did not want to leave. He must still be at the heliport. When I went home, my mother cried, but she said it was best that I leave."

At the Croatian border, Croat border guards noted down the names and identity document details of those who had them, the refugees said.

"We were tricked," said Esad, 30. "We thought transport to Germany had been arranged. They made us believe that. But it was a trap to get rid of us. We are here against our will."

The camp's director, Miroslav Maslac said, "We hope they will be able to leave soon, but it is impossible to say how long it will take."

Mostar Muslims Issue Peace Declaration With Croats

AU2107102993 Zagreb VECERNJI LIST in Serbo-Croatian 13 Jul 93 pp 8, 9

[HINA report: "Conflicts Were Imposed"]

[Text] Mostar—Initiated by the MDS [Muslim Democratic Party] of Bosnia-Herzegovina, the Muslims and the Croats began signing the Declaration on Peace and Unity in Mostar. We received that information from the seat of the Bosnia-Herzegovina MDS. More than 1500 Muslims signed the declaration on the first day.

We give the integral text of the declaration:

We, the Muslims of the town of Mostar, abandoned without hope, forced to leave our centuries-old hearth, to settle all over the world—we decided to make this declaration in order to draw attention of the public here and abroad to our position and contribute to the establishment of peace in Bosnia-Herzegovina. The war between the Croats and the Muslims is not our war. It was imposed upon us in order to exterminate forever both our nations in this area. We recognized its goals in the realization of basic greater Serbian intentions, which are being implemented by a brutal policy. We therefore decided to publicly expose that and give our signatures as a token of peace, of stopping the war between the Croats and the Muslims in Mostar and Bosnia-Herzegovina, and of establishing a lasting life together for both nations.

With regards to that:

1. As Muslims of the town of Mostar, we express a lasting decisiveness and give our contribution for the establishment of a lasting peace between the Muslims and the Croats, and we will never point our weapons against the Croatian people. We do not accept war as the method of shaping the destiny of the Croats and the Muslims.

2. We are aware of the fact that the political organization of Bosnia-Herzegovina as a state of three constituent nations is the solution dictated by international institutions and the representatives of all three nations should give their guarantees concerning that.

We, the Muslims of the town of Mostar, accept any constitutional model of the organization of Bosnia-Herzegovina as an internationally recognized country (federate, confederate, and so forth), which will be accepted by all three nations.

3. According to the previous agreement, signed by the Croat and Muslim representatives, the town of Mostar was said to be the major economic, cultural, and social center in Bosnia-Herzegovina, in which the Croats are the majority, but the Muslims also live here.

In such areas, within internationally recognized Bosnia-Herzegovina, we want a lasting guarantee, primarily from the Croats, that all human rights regulated by international conventions will be respected.

4. We are again publicly stressing that only peace in Bosnia-Herzegovina, especially peace among the Croats and the Muslims, can create the basis for our survival and prevent the disappearance of the state of Bosnia-Herzegovina. We demand that all civilians imprisoned by Croatian and Muslim units, in Mostar and in the entire Bosnia-Herzegovina, be released. We demand that the ethnic cleansing in the areas where the Croats and the Muslims have lived together for centuries, be stopped. We decisively oppose all representatives of the military and political leadership of the Muslims who advocate and implement the war option, and threaten Europe and the entire world with terrorism. Those individuals managed to turn a just, defensive war of the Croats and the Muslims into a senseless civil war, and thus directly helped the aggressor to realize his goals and to amnesty his crimes.

We demand that all church officials help in the establishment of peace and love between the Croats and the Muslims.

5. We consider this declaration as an act of good will of every Muslim and emphasize that signatures were not obtained by using force. It is a human decision by each and every individual who wants to make a contribution to stopping the war and to the establishment of peace in Mostar and Bosnia-Herzegovina.

6. The declaration promotes our political goals, and the cochairmen of the UN and the EC, and domestic and international media, will be acquainted with its contents.

Pejanovic Says B-H Delegation Ready To Compromise

AU2007211293

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1730 GMT on 20 July carries a 19-minute interview with Mirko Pejanovic, member of the Bosnia-Herzegovina Presidency, by Sarajevo Radio reporter Nada Cumurovic. They discuss the peace plan the Bosnia-Herzegovina delegation will put forward at the next round of negotiations in Geneva. An edited excerpt consisting of Pejanovic's answers was carried in the 1300 GMT newscast. Reception is very poor with frequent outages. Place and date of the interview are not specified.

Cumurovic first asks Pejanovic to explain the main features of the Presidency's plan for the future constitution of Bosnia-Herzegovina.

Pejanovic replies that the proposal entitled "the Bosnia-Herzegovina initiative" proposes a "state with the status of a single international entity with internationally recognized borders" which would guarantee equality to all its constituent nations and safeguard their political and cultural identity. According to Pejanovic, this would be a "federal state that could have several federal units" but only one citizenship and one common market.

As Pejanovic says, the only result of the war is "that there are less of us in Bosnia-Herzegovina—Muslims, Serbs, and Croats—and that we have nothing but suffering and tragedy" as a result of this war. For the talks to be successful, Pejanovic says, "sincere political will" must exist on all sides.

Cumurovic then asks Pejanovic to explain further "the basis on which these federal units will be organized, bearing in mind," as she says, "that there has been some confusion and various interpretations in the public?"

Pejanovic says that "we will strive to avoid the exclusive application of the ethnic principle in the creation of the federal units." He explains that this is for historic reasons and says that rigorous application of the ethnic principle would only lead to more persecution of people and ethnic migrations. "Not a single territorial unit in the federal state can be formed solely and exclusively on the ethnic principle," Pejanovic says, adding that "geographical, historical, and economic principles" must also be taken into consideration. "We must particularly apply this in those areas that are (?traditionally mixed), among which is also the town of Sarajevo," Pejanovic says, stating that this is the reason why "a special status is demanded for Sarajevo."

"You have spoken of political compromise. Can a solution be found in this direction at present?" Cumurovic asks.

"A solution can definitely be found," Pejanovic says. "I have already said earlier that sincere political will is required of all those who are taking part in the talks, a political will to end bloodshed, war, and suffering of the Bosnians and Herzegovinans. We are already (?a divided country) [words indistinct]. As regards the state of Bosnia-Herzegovina, its officials—the Presidency, government, and Assembly—we [words indistinct] cooperatively in the talks, willing to search for a political solution. This is the basic premise of the platform [words indistinct] of the Presidency in the conditions of war. We have confirmed this by signing the Vance-Owen peace plan, which was unfortunately (?killed off) and we continue to be willing [word indistinct]. In the recent talks with Russian envoy Churkin, a special envoy of Mr. Yeltsin," Pejanovic continues, "we said that we were willing to find a compromise and a solution in the talks. The talks would otherwise serve no purpose if (?a compromise cannot be found). All the talks in history have proven that [words indistinct] when the negotiators are willing to compromise. The alternative to this is force, and force then solves things depending on the balance of actual powers [words indistinct]. Therefore, we are ready for a compromise, we are willing to compromise [words indistinct] the talks in Geneva. We told Mr. Churkin that [words indistinct] a political solution would be found that would be acceptable for all participants in the negotiations. Mr. Churkin himself said that they will support the solution acceptable to everybody, therefore, also to the Bosnia-Herzegovina Government and its legal structures."

Referring to the Bosnia-Herzegovina Presidency session of 19 July, at which it was decided that the Bosnia-Herzegovina delegation will continue to take part in the Geneva talks, Cumurovic asks Pejanovic who he thinks should be included in the "united Bosnia-Herzegovina delegation." Pejanovic replies that the Presidency members at their session in Zagreb "reached a consensus on general concept of our appearance in further negotiations," referring to the proposal for federal Bosnia-Herzegovina that would have "the minimal amount of federal functions required for the functioning of a state." "I must say that there are certain nuances in the views of individual Presidency members," Pejanovic admits, "but a consensus has been reached regarding the overall project."

"Regarding the makeup of the state delegation," Pejanovic says that the composition of the delegation will be "representative, and thus competent" and will consist of people from state structures and organs, from all political parties, and from all ethnic communities. "The delegation will be multiethnic, multiparty, and competent to conduct the talks about this problem," Pejanovic says. Pejanovic is of the opinon that the delegation should be led by Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, and should, among others, also include Assembly Chairman Miro Lazovic, and Presidency member Miro Lasic. Pejanovic believes that the delegation should be expanded to include a number of parliamentary party leaders, as well as a representative of the Jewish community. "This delegation would show to the world," Pejanovic adds, that

Bosnia-Herzegovina is a "multiethnic state" where "there is place for all its ethnic communities, as well as scope for their equality."

Pejanovic, at the end of the interview, says he is going to Geneva in hopes of ending the suffering of all the people in Bosnia-Herzegovina.

Krajisnik Predicts Change in Muslim Leadership's Stance

LD2107120093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1015 GMT 21 Jul 93

[Text] Mrkonjic Grad, 21 Jul (TANJUG)—Momcilo Krajisnik, the president of the people's assembly of the republic of Srpska, told journalists in Mrkonjic Grad today, where the assembly has been in session since yesterday, that "there are great chances that peace will soon be restored."

He believes that the Muslim war option no longer has any support in the West, that chaos reigns in Muslim ranks, and that people ready to negotiate will soon become new leaders of the Bosnia-Herzegovina Muslims. "And as soon as negotiations begin, peace will be restored."

"Seeing that there are strong fundamentalist forces in the Muslim leadership, we must not deceive ourselves by thinking that the course of events could not go in a different direction, although it would be detrimental primarily for the Muslims. If the Muslims realize that the war is not good for them, that it will lead them to a complete collapse, and that their collapse is not in the Serbs' interest, a just peace will be restored. If there is no just peace, there will be no peace at all for the three nations of former Bosnia-Herzegovina."

"Our aim, therefore, is for the Muslims to have their own state in the territories that belong to them, but not by any means, in, as they calculated, the entire territory of former Bosnia-Herzegovina," Krajisnik specified.

Asked by a journalist whether it is possible to negotiate with Muslim leader Alija Izetbegovic, Krajisnik unexpectedly said that he still believed that "Mr. Izetbegovic is not an opponent of peace, but that people such as Ganic, Mahutcehajic, and others are forcing him into a war against the Serbs. If it were not for them, I believe that he would accept a confederate Bosnia-Herzegovina and within it a state made to his people's measure."

The assembly session resumed work today with a discussion of a large number of draft laws.

Karadzic: Any Agreement Conditional on Lifting Sanctions

AU2007173893

[Editorial Report] Belgrade Radio Beograd Network in Serbo-Croatian at 1430 GMT on 20 July carries within its current affairs program "An Argument More" a discussion about the peace prospects in Bosnia. The discussion involved correspondent Dragan Colovic from Geneva, Bosnian Serb leader Radovan Karadzic from Mrkonjic Grad, and two unidentified journalists in the studio. Asked to comment on the latest platform on the future organization of Bosnia-Herzegovina proposed by the Bosnian Presidency, Karadzic says:

"I received a few minutes ago a copy of that document here. Our people sent it to me here. I must say that I fully agree with Mr. Colovic. This a disguised version of a unified state that would perhaps have some districts or something similar. However, the similarity of the proposal by the Presidency of Bosnia-Herzegovina and the protectorate proposed by leaders of some parties from Belgrade is striking.

"We were astonished yesterday to (?see) the proposals (?in POLITIKA) that Bosnia-Herzegovina should be under the protection of the United Nations. We have, of course, recognized in this the German stand of a century ago, 1878, when Bosnia was passed from Turkey to Austria, that is, when it became a protectorate of the international community represented by the Austro-Hungarian Empire.

"It is certain that this will not satisfy the Serbs and that the Muslims are wasting time, as well as territories. They have had some successes against the Croats, but in fighting with the Serbs they are finding themselves in an increasingly difficult position. I am convinced that this is a transparent mask for an unitary state, that is, for domination by the Muslims. This will come to nothing. We are the republic of Srpska. Since the referendum, no one has had the right to question that name or [words indistinct]. In the future, they will have to deal only with the republic of Srpska and not with the Bosnian Serbs."

Commenting on the actual situation in Bosnia-Herzegovina, Karadzic says:

"We do not think that we are in a stalemate position. We can last like this for 30 years. The Muslims will, on the other hand, lose everything. Izetbegovic clearly indicated this recently when he said that the continuation of the war should be reassessed. The continuation of the war means the disappearance of Bosnia-Herzegovina and the division of Bosnia-Herzegovina into two parts. Many circles in Europe would like this to happen, because they do not want to see even a small Muslim state encircled by the Serbs and Croats. The Serbs and the Croats could control possible Islamic terrorism."

Replying to a question as to whether the division of Bosnia-Herzegovina into two parts was realistic, Karadzic says:

"I think that all the Catholic circles in Europe are keen to push for it. We have also heard such an idea from certain Catholic clergy. We know that Europe is not keen on creating an Islamic country here, and this is our [word indistinct] and problem. If they wanted to accept an Islamic country, Bosnia would have been divided at the

Lisbon conference. However, the fact is that if the Muslims continue like this with fighting, it could happen that events determine what will happen, because these events could determine that the Tuzla enclave finds itself in the Serbian (?encirclement) and the Zenica enclave in the Croatian. This could perhaps indicate a division into two parts. We Serbs are not in favor of a division in two parts. We want to separate from the Muslims [words indistinct] because we do not want to find ourselves in the same situation of antagonism and hostility in 10 years' time."

Commenting on future negotiations at the international conference, Karadzic says: "We will, of course, negotiate, but will in the future make every agreement, that is, the realization of agreements, dependent upon the lifting of the sanctions against Yugoslavia."

Replying to a question about a political rift among the "Muslim" leaders, Karadzic says that "the tragedy of the people there is that they do not enjoy any democracy. We are today holding the 33d session of the people's assembly in the last 15 months. We have so to speak, been in a permanent session." Karadzic says that the "Muslims are working according to the oriental type of despotism. Everything is the hands of one man. Everything is in the head of that man. His aides do not know many of his secrets. I, on the other hand, do not hide anything from my aides, nor from the people, because our people do not tolerate secrets. We even have to reveal some strategic plans."

At the end of the program, Karadzic says that Serbs have recently been approached by Muslims from various communes expressing a wish to become part of the republic of Srpska.

Muslim Position 'Hopeless'

LD2007203693 Belgrade TANJUG Domestic Service in Serbo-Croatian 1909 GMT 20 Jul 93

[Text] Mrkonjic Grad, 20 July (TANJUG)—Radovan Karadzic, president of the republic of Srpska, said today in Mrkonjic Grad, where a session of the republic of Srpska assembly is being held, that "the Muslims are in a hopeless position" and that "continuation of the war in Bosnia-Herzegovina means its division into two parts and its disappearance."

According to him, this is secretly desired by certain Western circles, especially Catholic circles which do not want to see even a small Muslim state in Europe, although it would be surrounded by Serbs and Croats. Karadzic believes that it could even happen that the Muslim enclave of Tuzla remains in complete Serb encirclement, while the Zenica enclave could remain in Croat encirclement.

"We Serbs are not in favor of such a division. We simply want to separate from the Muslims. We do not want to find ourselves again in, say 10 years, in the position of antagonism and animosity in which we are now," Karadzic said.

Speaking about possible economic sanctions against Croatia, Karadzic expressed doubt that this is possible. In his opinion, Germany would not allow this to happen because, as he said, the Croats are Germany's rascals which it is ready to criticize, but not to punish.

He specified that the Serbs should not rejoice over sanctions against Croatia, but that they should advocate that the sanctions against the Federal Republic of Yugoslavia be lifted. We should aspire toward the economic revival of the Balkans which the multinationals are destroying, wishing to subjugate it and then develop it in phases, Karadzic stressed.

Concerning Muslim leader Alija Izetbegovic's presence at the Geneva talks, Karadzic believes that "Izetbegovic will go regardless of everything because he has realized that only talks can save him."

UNPROFOR Report of Meeting With Mladic Condemned

AU2007191993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 20 Jul 93

[Text] At today's news conference of the UN Protection Force [UNPROFOR], (?held) by Major Niessen, among other things, a piece of gross disinformation was made when domestic and foreign journalists were told that the commander of the Sarajevo UNPROFOR [word indistinct] held talks with Commander of the First Corps Mustafa Hajrulahovic and war criminal Ratko Mladic [military commander of the Bosnian Serbs]. It was not further specified what was discussed. [Words indistinct] the representatives of the two sides [word indistinct] the meeting was held particularly at [words indistinct]. It was subsequently stated at the press briefing that Hajrulahovic and Mladic discussed the current military situation in the Sarajevo region and the need to open humanitarian corridors.

The truth is that there has been no meeting of Commander Hajrulahovic with Mladic, and, therefore, no talks either. It is unclear, therefore, how (?a senior) UNPROFOR officer [words indistinct] could at all speak of [word indistinct] and contents of the talks. Such UNPROFOR actions create doubts with the public that [words indistinct] sufficiently [word indistinct] situation in the town [words indistinct] cast doubt on the good intentions of this organization. Because of this piece of gross disinformation of the public, the Command of the First Corps of the Bosnia-Herzegovina Army protests sharply with UNPROFOR and demands an immediate explanation and reasons why this should have happened. It was also demanded that the disinformation be denied at the next news briefing.

Presidency's Geneva Negotiating Platform

LD2007181193 Belgrade TANJUG Domestic Service in Serbo-Croatian 1239 GMT 20 Jul 93

[Text] Geneva, 20 July (TANJUG)—David Owen and Thorvald Stoltenberg, cochairmen of the international conference on the former Yugoslavia, were today presented with a platform which the Bosnian Presidency will uphold at the Geneva negotiations, TANJUG has learned from well-informed circles at the conference.

According to the proposal, which has been handed to TANJUG, in its present internationally recognized borders, Bosnia-Herzegovina will be a complex state where the power will rest with the federation and federal units. Detailing out the constitutional principles, the Presidency of the former Yugoslav republic of Bosnia-Herzegovina:

Specifies that the borders of the federal units are included in the Bosnia-Herzegovina constitution and cannot be changed without the consent of a qualified majority in the federal parliament, which must be preceded by a direct vote by citizens at a referendum.

Bosnia-Herzegovina keeps the status of an international and legal entity. The federal units cannot sign international agreements which threaten the interests and the territorial identity of Bosnia-Herzegovina, and no federal unit can bear a name that can be identified with one of the major ethnic groups.

The text of the document which, it has been learned, is the final version which the presidency of the former Yugoslav republic will defend at the talks, says that the Bosnia-Herzegovina constitution guarantees the highest level of human rights, especially civil and political rights, free market economy and the freedom of movement of people, goods, and money throughout the state territory. The constitution guarantees private property, while the existing socially-owned property belongs to all citizens of Bosnia-Herzegovina.

The constitution also stresses the principle of national equality of the constituent nations and the group of "others."

Aiming at better protection of national rights, the constitution provides for agreements with international institutions, i.e. it allows international supervision of the protection of these rights.

According to the concept of the Bosnia-Herzegovina Presidency, Bosnia-Herzegovina is a secular state whose constitution guarantees freedom, equality, and the practice of all religions.

The federation is in charge of: protection of human rights and freedoms, implementation of national equality, preservation of territorial integrity, foreign affairs, statehood, customs, monetary policy, foreign trade, and tax policies. The federation and its federal units are jointly in charge of macroeconomic policies, power networks, international and intrafederal communications infrastructure, exploitation of natural resources, protection of natural environment, health care, and social security.

According to this draft, Sarajevo as the capital of the federation would have special status.

The constitutions of federal units must not contradict Bosnia-Herzegovina's constitution and its constitutional court's decisions.

The legislative body of federal authority, the parliament, comprises a lower chamber providing proportional representation via representatives from all of Bosnia-Herzegovina, and an upper chamber to which representatives of the federal units are delegated.

Federal authority is vested in the Presidency and government of Bosnia-Herzegovina which comprise the same number of representatives of each people and "others" as well as representatives of federal units from federal organs.

The federal judiciary comprises a supreme court of appeal, a court of human rights, and constitutional court.

Judges are elected on the basis of ethnic representation and parity. Judges of the constitutional court are appointed by an international conference or some other international body.

Federal units exercise their authority in the legislative body, the parliament.

Some of the tasks will be performed under international control—corridors linking federal units, the constitutional court, demilitarization of the country, an international commission for human rights for Bosnia-Herzegovina, and the court of human rights.

The principles of shaping federal units explicitly state that they cannot be shaped along ethnic lines alone but along economic, geographic, communication, cultural, and traditional principles.

Boundaries will be determined on the basis of the census taken in 1991. The territories of the federal units will not represent the national territories of any nation.

The section regarding cooperation with neighboring countries specifies that Bosnia-Herzegovina is open to all forms of cooperation with its neighbors on the basis of the principles of equality among sovereign states, primarily in the areas of the economy, social affairs, and national rights.

The Bosnian Presidency upholds the convocation of a new London conference on condition that: All armed conflicts cease immediately, basic living conditions are secured, the unhindered distribution of humanitarian aid, electricity, water, and gas is guaranteed, and the opening of "Blue Corridors" is made possible.

The Bosnian Presidency will propose to the Security Council that it place the Republic of Bosnia-Herzegovina under UN protection in case peace is not established on the basis of the tabled proposals.

Pejanovic Rejects 'Ethnic Principle' in Solving Crisis

AU2007163493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 20 Jul 93

["Excerpt" from an interview with Mirko Pejanovic, member of the Bosnia-Herzegovina Presidency, by Nada Cumurovic; place and date not given—recorded]

[Text] [Cumurovic] A lot is expected from the forthcoming phase of negotiations in Geneva at home and abroad. Various plans have been [word indistinct] so far, but on this occasion the Bosnia-Herzegovina delegation is supposed to put forward its own proposal for the future constitution of Bosnia-Herzegovina. What is your position regarding this proposal, and what is this proposal that the Bosnia-Herzegovina delegation will take to Geneva actually all about?

[Pejanovic] This is a proposal that we call the Bosnia-Herzegovina initiative, that is to say, the Bosnia-Herzegovina peace plan, that is, a proposal for the restoration of peace in Bosnia-Herzegovina. Our basic position in this document is that Bosnia-Herzegovina is a state with the status of a single international entity with internationally recognized borders, a state in which equality is guaranteed to all its constituent nations—the Muslims, the Serbs, and the Croats—and, as a part of these guarantees, institutional solutions for consensus and parity in decisionmaking are being ensured, as well as the political and cultural identity of each nation in particular, and this identity [words indistinct] in the common state of Bosnia-Herzegovina. Within the common state of Bosnia-Herzegovina we in this document understand a complex and (?federal) state that could have several federal units, but a state that will have one citizenship, a state that will have one common free market, and a state that will provide guarantees [word indistinct], civil, ethnic, and [word indistinct]. We will strive that the basis for the solution [words indistinct] and that not exclusively ethnic principle is applied in the formation of the federal units, provinces, and in the drawing up of the internal territorial organization, in general. Why? Because Bosnia-Herzegovina in its historical essence and historical reality is not a national, or a cultural, or a religious community. It is a community in which people have lived mixed one beside another for centuries. The absolute application of the solely ethnic principle would lead toward further persecution of people, ethnic divisions, and ethnic migrations—either by force or in other ways—which would actually mark the destruction of the internal [word indistinct] of the Bosnia-Herzegovina, and the destruction of the civilian [word indistinct]. Therefore, we will advocate and struggle that not only the war reality is [word indistinct] but that [word indistinct] reality of Bosnia-Herzegovina is also taken into account. We are making a historic and not a temporary solution, which means that not a single territorial unit [words indistinct] in a federal state can be formed solely and exclusively on the ethnic principle, but must take into consideration [words indistinct] historical, economic, and not exclusively ethnic.

Tudjman, Claes Stress Efforts for Peace

LD2007221093 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 20 Jul 93

[Report on news conference given by President Franjo Tudjman and Willy Claes, chairman of the EC Ministerial Council and Belgian foreign minister, in Zagreb on 20 July, including recording of Tudjman and Claes remarks; Claes in English with superimposed Serbo-Croatian translation]

[Text] [Reporter] Following their talks which were, as usual, not attended by journalists, President Tudjman and Minister Claes held a news conference.

[Claes] I came here with a mandate given by the European Twelve. I am in Zagreb today, and am going to Belgrade tomorrow. I hope to visit Bosnia-Herzegovina as well. My message is very simple. What we want are increased efforts to gather all sides in the conflict, to bring them back to the negotiating table as soon as possible. The peace option must be accepted by all sides involved in the conflict. This is the option supported by the international community, and established by the London conference. That option includes the honoring of the Muslim minority. We truly believe that it is necessary to achieve certain conditions. This was the reason why I told the Croatian president to do everything he can in order to contribute to ending the violence in Bosnia and to continued delivery of humanitarian aid to the country.

What we are asking for are, let us call it, measures for building mutual trust. We really believe that Croatia can contribute to establishing such conditions and measures. I told President Tudjman that public opinion and political circles not only in Europe but also in the United Statesd have expressed impatience and fear that we could soon suspend the humanitarian operation if there is no peaceful policy. If this happens, even the EC would consider options which it has not considered so far. I am convinced that when my mission is completed, the conditions for peace, for ending the conflict and for beginning peace negotiations will be riper.

The EC is not creating a new peace plan. A new peace plan is not being drawn by the EC coordinator, Lord Owen, either. We believe that the parties involved in the conflict can find the best solution. Of course, we are ready to help, to play the role of a mediator in the willing implementation of a possible peace agreement.

[Reporter] President Tudjman said:

[Tudjman] The Croatian delegation listened to the message of the Twelve, the EC, and presented the stands of Croatia's policy. We established with pleasure that Croatia has been advocating—during the entire crisis in the former Yugoslavia, and now during this terrible war in Bosnia-Herzegovina—what the EC has suggested. Of course, Croatia can exert a certain influence on the situation in Bosnia-Herzegovina, but it cannot bear the responsibility for everything that is happening there. We are trying to find solutions which would be acceptable for all the three nations living there. We are also interested in halting the war in Bosnia-Herzegovina as soon as possible, also because the Croat nation in Bosnia-Herzegovina is currently under an offensive by Muslim forces, and because we in Croatia are still accommodating more than a quarter of a million of refugees from Bosnia-Herzegovina. All Croatian policy is directed toward achieving a political solution, toward ending the war. In this respect our aspirations are in line with what Minister Claes has conveyed to us on behalf of the EC.

However, we also stressed our disagreement with certain attempts to make Croatia responsible for what it is not responsible. We also expressed hope that the EC will would show more understanding for the consistency of Croatia's policy and for its endeavors to solve the problem of the UN-protected areas in Croatia in a peaceful way, and to stop the spread of the conflict in Bosnia-Herzegovina, which would be fatal not only for the nations living here, including Croatia, but also for Europe and even the world. I think that this meeting will contribute to better understanding.

[Reporter] Asked by reporters whether the possibility exists for the imposition of sanctions against Croatia by the EC, Minister Claes replied: I have come to Croatia to review Croatia's peace proposals, regardless of whether a proposal on sanctions is being kept in store by Europe. I must stress that the international community is impatient and, in case we fail to find a peaceful resolution, certain political formulas that have not been adopted by the EC so far could be reconsidered. However, I wish we could both be greater optimists and express the hope that the belligerent sides will resort to dialogue, initiate a peace process, and create conditions for the economic revival of the region, that is, the Republic of Bosnia-Herzegovina.

As far as the occupied territories in Croatia are concerned, the situation is the same as in Bosnia-Herzegovina; UN Security Council resolutions must be respected, Minister Claes concluded.

At the end of the conference, the reporters were again addressed by President Tudjman.

[Tudjman] Since the very beginning of the crisis in Bosnia-Herzegovina, Croatia's policies were directed toward checking Serb aggression, with the help of the international community, as well as toward convincing the Muslim leadership to commence political negotiations on a political settlement to the crisis in Bosnia-Herzegovina, a political settlement acceptable to all three nations. Needless to say, we do not condone, and have done everything to prevent, violence in Bosnia-Herzegovina. There is too much violence in the conflict between the three warring sides there at the moment. We, on our part, have done everything to ensure the steady delivery of humanitarian aid but, understandably, this humanitarian aid cannot be completely effective

while a war is raging there. It is therefore important to stop the war and find a political resolution.

[Reporter] After that, President Tudjman hosted a formal dinner for his guest.

UNPROFOR Commander Hails Croatia-RSK Accord

LD2007183393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1723 GMT 20 Jul 93

[Text] Belgrade, 20 Jul (TANJUG)—French general Jean Cot, the UN Protection Force commander for former Yugoslavia, held talks in Knin today with Djordje Bjegovic, prime minister of the republic of Serb Krajina [RSK], the ISKRA news agency reports.

In the course of a lengthy talk, Cot expressed satisfaction over the signing of an agreement between the representatives of Croatia and the RSK, which defused tensions over the opening of the pontoon bridge at Maslenica. The French general also expressed hope in the continuation of the peace process, ISKRA reports.

Krajina Serbs Claim Croats Deploying Fresh Forces

AU2007162293 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 20 Jul 93

[Text] According to Croatian Radio, the night and morning between Benkovac and Zadar were quiet. However, a general danger alarm is still in force on the part of the front between Sibenik and Zadar. Military sources in Knin report that there were only minor clashes yesterday. Danko Peric reports from Knin:

[Peric] It was announced in Knin that the new UNPROFOR commander, General Cot, was expected to arrive in the afternoon. According to information from the headquarters of the Serbian army of Krajina, yesterday afternoon the Croatian Army was firing with all its available weaponry between Vrlika and Sinj. Tanks were used to fire on Benkovac. Mortar rounds on Mala Cista in the Skradin hinterland caused a fire. These attacks drew responses only when fighters' lives were in danger. This was stated by the press center of the army headquarters. The press center also stated that the airspace of the republic of Serbian Krajina was violated 27 times.

The state committee for relations with UNPROFOR is counting down the days that the Croatian Army has left to withdraw. There are now 11 days to go. However, there are no signs that the Croatian Army will withdraw from Ravni Kotari, [name indistinct] Plain, and the Peruca hydroelectric power station. They deployed new tank units in Paljuv yesterday, which fired on the nearby village of Narancici.

As this committee stated, the Krajina military delegation has left for Vienna. The delegation will not be involved in any kind of negotiations with the Croatian side. It will take part as an observer, because everything has been regulated with the Erdut agreement on the withdrawal of the Croatian fighters.

The topic of the day in Knin is yesterday's visit by the delegation of the republic of Srpska, whose most prominent political and state leaders addressed residents, who greeted them cordially. This visit contributed to the psychological situation. The 19th July was described as cheerful after, as stated in Knin, the somewhat gloomy 18th July, characterized by Tudjman's farce in Zemunik and Maslenica.

Croats Deploying Forces in Maslenica

LD2007144993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1227 GMT 20 GMT 93

[Excerpts] Belgrade, 20 Jul (TANJUG)—The state committee of the republic of Serb Krajina (RSK) for relations with UNPROFOR [UN Protection Force] has today announced that there are no signs that the Republic of Croatia has begun implementing the first point of the Erdut Agreement on the withdrawal of the Croatian Army from the territories captured in the beginning of January.

A statement from the RSK's state committee for relations with UNPROFOR, which was sent to TANJUG, stresses that the Croatian Army and police have eleven more days to withdraw from the territories captured in the January aggression and the aggression against Miljevci on 21 June 1992.

The state committee says that around 1600 yesterday the Croatian side "began bringing in to Paljuv (south of Maslenica) fresh tank units which immediately, at 1655, opened fire in the direction of the village of Narancici, where one Serb soldier was killed and several were wounded." [passage omitted]

The Krajina delegation in Vienna, the state committee's statement stresses, has a clear mandate—"only to acknowledge the pace of the withdrawal of the Croatian Army, because this is an issue to be dealt with by UNPROFOR and the Croatian Army, as is specified in point one of the Erdut Agreement."

The delegation will not be involved in any kind of negotiations. It will, the statement says, "take part in the talks in the capacity as observers."

The Krajina military delegation will present to UNPROFOR representatives "the conditions for a cease-fire which clearly entail that the cease-fire can be established only following a complete withdrawal by 31 July 1993, while the issue of using the Peruca hydroelectric dam, Zemunik airport, and the Maslenica bridge must be solved before this."

"As long as this issue is not solved in accordance with our proposals, UNPROFOR forces cannot take over the mentioned facilities," the statement by the RKS's state committee for relations with UNPROFOR stresses.

Relief Over EC Decision Not To Impose Sanctions

LD2007132493 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 20 Jul 93

[Text] The Croatian mission at the EC in Brussels has announced that it welcomes the decision taken by the EC Council of Ministers to dispatch a peace mission to Zagreb. The EC mission is welcome in Zagreb. We hope it will be able to gain a direct insight into the current state of affairs and problems facing Croatian authorities, the statement notes.

We are glad to realise that the EC council did not bow to unjustified pressures and did not impose sanctions against Croatia and withdraw the remaining trade privileges enjoyed by our country on the basis of its agreements on trade and cooperation. In its statement the Croatian mission notes that Croatia was and still is a victim of Serbian aggression and that over one fifth of its territory is under occupation. Despite this fact Croatia is providing aid for 270,000 refugees from Bosnia-Herzegovina, most of whom are Muslims. Almost all international aid reaching Bosnia-Herzegovina is being transported via Croatian territory.

We have been subjected to silent sanctions and discrimination introduced by the EC as early as last summer when Croatia was denied access to the PHARE [Economic Reconstruction Aid for Poland and Hungary] program. At that time there was no indictment regarding (Croatia's) policy toward Bosnia-Herzegovina. Meanwhile, these accusations have been changing and some new obstacles have been put up in Croatia's relations with the EC. The combined effect of all these measures is a constantly deteriorating economic, social, and political situation in a country that has already been impoverished by war.

We hope that the EC mission's visit to Croatia, and perhaps to the other successor states of the former Yugoslavia, will enable the EC Council of Ministers to gain a true and unbiased insight into the problems facing our country, it was said at the end of the statement released by the Croatian mission at the EC in Brussels.

Karadzic Exhortation To Counter 'Fundamentalism'

LD1907225193 Belgrade TANJUG Domestic Service in Serbo-Croatian 2019 GMT 19 Jul 93

[Text] Knin, 19 Jul (TANJUG)—More than 5,000 citizens of Knin and the republic of Serb Krajina [RSK] assembled this evening in Knin's Stojan Jankovic square to welcome Dr. Radovan Karadzic, president of the republic of Srpska, with long and warm applause. Karadzic was visiting the RSK capital at the head of a republic of Srpska delegation today.

Addressing the citizens of Knin and its surrounding areas, Karadzic extended the warmest regards, as he said, on behalf of the republic of Srpska leadership, and described the local citizens as the advance guard of the Serb nation and the last Serb bastion against the West.

"You and your ancestors have been defending this West of theirs against the onslaughts of Islam for centuries. But what you have been doing for them was only paid for in Uniatism and genocide," Karadzic stressed.

"The time has come for you to fight for yourselves, and they are now astonished by the fact that the Serbs are struggling for themselves. Ungrateful Europe has forgotten what Krajina was—a formidable bulwark against Asiatic darkness," he added.

What has remained Serb in Krajina today, what has not been assimilated or become estranged, is defending its right to be what it is, it is defending the natural right of every living being, Karadzic underlined, adding that the Serb nation in Serb Krajina is not asking for anything else but what it already has—Serb Krajina.

We told our foes a long time ago: If you strike at one part of the Serb nation, this is going to hurt us at the other end of Serbdom and you can expect a united stand on the part of the Serb nation, Karadzic said, and went on: "Today you are fighting against the destructive appetites of the West, while we have taken up your struggle against Asiatic darkness. We are countering Islamic fundamentalism and its international aspect, while you are keeping Catholicism at bay."

"They have been misleading us and using us for their own needs and defense for decades and centuries. All illusions are now cast aside. Brotherhood and Unity [Tito's slogan] was only an excuse to break up the Serb nation and force it to live in several states. We had created a common state in 1918 and 1945, thus helping them the Croats and Slovenes to become victors instead of the vanquished. The Serb nation has no need to incorporate its enemies into its own state. The Serb state should be the home of the Serb nation. There are no longer as many traitors within the ranks of the Serb people as there were in 1945," the president of the republic of Srpska stressed.

You managed to stun Europe. They did not count on you, on your resistance. You ruined their plans. Moreover, it was expected in the former Bosnia-Herzegovina that the Serbs would be finished off by last May, but they will not be finished off by any May of any year, Karadzic exclaimed.

"Our enemies are unerringly leading us to our goal. Had they been slightly more cunning and ruthless, they would have outfoxed us again. They took Croatian checkboard flags and Islamic banners, and crossed them. Their intentions were clear and obvious, and we thank them for that because they led us to our goal," Karadzic said.

"Croatia can no longer re-establish its authority in these regions. Croatia cannot exist without reaching agreement with you. All we will negotiate with them are matters of no consequence to us, and there will be no

negotiations on matters of vital importance to us, all they can do is recognize us," Karadzic said resolutely, and added: "Serb Krajina is today a globally-accepted reality."

"The republic of Srpska and the RSK had until recently carried the adjective so-called. Until recently they were put between quotation marks as make-believe states. Not any longer. Now people just say Serb Krajina and the republic of Srpska, and this is recognition," the president of the republic of Srpska said.

You also gave an example to us in former Bosnia-Herzegovina. We are deeply indebted to you. Even our enemies admitted this to us when we were part of the [prewar] coalition, Karadzic stressed, and went on to ask: "Why can't they be more aggressive toward us?"

"They [Muslims and Croats in Bosnia] discussed this, and they said: If 12 percent of Serbs [of the population in Croatia] did what they did to Croatia, what will 35 percent of Serbs do to Bosnia? However, they were deceived by their hope that they could still defeat us. It took them on the path of doom. May God forgive the victims. We must feel gratitude to our enemies. If they had offered us cultural autonomy or even territorial autonomy perhaps they would have deceived many of us but when they sent special police forces there was no mistake, it was clear what their intentions were," the president of the republic of Srpska said.

The best Serb fighters gave their lives for both the RSK and the republic of Srpska and there is no more bargaining about the existence of these states. We can only bargain about our future relations with our neighbors. We could reach an agreement about this, Karadzic stressed and went on to add: "You were made a subject of international law so that you could attend talks but there can be no talk about self-abolition. That was never done by any nation, by any state in the world and it will not be done by the republic of Srpska and the RSK.

"The Serb people have been harboring these aspirations which date back to Kosovo, for at least two centuries. However, since the Karadjordje-led [19th century] uprising the Serb nation has been dying for a single idea—a Serb state, freedom, and democracy," Karadzic stressed.

"They want us to negotiate. We will negotiate. We will give our enemies a chance to reach agreement with us about matters which we can agree on. These are exclusively the issues of borders and mutual relations," the president of the republic of Srpska said.

With the referendum on sovereignty and on the right to self-determination, the Serb people of the republic of Srpska and the RSK created conditions necessary to unite into a single state, Karadzic said to tumultuous applause.

"We have the necessary conditions. If the developments take an unfavorable course we can convene our assemblies in 24 hours and proclaim our union. However, until this happens we will negotiate. Our enemies must not believe that we do not have a reserve option. It is in a half-opened drawer. If somebody attacks us we will open this drawer and unite, there will be no more negotiations after this," Karadzic stressed.

"This generation has a really wonderful army. It will create a state and save the people. We will succeed and we are already close to success. The international community must acknowledge the new realities," Karadzic said, and added: "This generation will, God willing, very soon, definitely realize the dream of our leader Karadjordje."

The rally was also addressed by RSK president Goran Hadzic; vice president of the republic of Srpska Nikola Koljevic; and president of the republic of Srpska assembly Momcilo Krajisnik.

Need for Croatian Serbs To Accept Minority Status

93BA1237A Zagreb DANAS in Serbo-Croatian 2 Jul 93 pp 16-17

[Article by Hloverka Novak-Srzic: "Why Serbs Must Be Minority"]

[Text] It is highly probable that demands that Serbs once again become copartners in Croatian sovereignty instead of their current status as a national minority would not halt the war, just as they did not cause it. They are not in accordance with world standards either, where a nation accounting for less than 20 percent of a state's population is not accorded the rights of a coconstituent nation, but rather the rights of a national minority.

Just as everything in Croatia began because the Serbs were thrown out of the Constitution, it will not all end until they are returned to the Constitution. Such assertions have been circulating from the adoption of the new Constitution to this very day.

Advocates of the idea of returning the Serbs to the Constitution invoke the ZAVNOH [Anti-Fascist Council of People's Liberation of Croatia] tradition as a model for arranging Croat and Serb relations. At the time, they say, Croat-Serb unity promoted the Partisan victory and the end of the war. There is the belief that the current war would end if Croatia were to return to the ZAVNOH principles, if it were to become a state with dual sovereignty. They mean to say that the deletion of the constitutional provision about the Serbs as copartners in Croatian sovereignty was the cause of the war! The best thing that can be said about such an allegation is that the omission of the Serbs could have been a pretext for the war, but certainly not its cause. The cause of the war was not the constitutional deletion of the Serbs, but rather the existence of a Greater Serbian plan that used them, foisting on them the new Constitution as the reason for

war, like a cuckoo does with its eggs. The reason for the war came not from Zagreb, but rather from Belgrade.

Mountaineer Mentality

Even some Serb intellectuals are trying to justify this sort of idea with psychological reasons, alleging that they know the mentality of the Croatian mountain regions and that the Serbs there will never accept being a national minority. At the latest meeting with Serb representatives, the president of the republic addressed such theories, and said in that regard: "Serbs in Croatia cannot be a dominant nation. We have constitutionally defined democratic Croatia in the same way that the Serbs in Serbia, the Slovenes in Slovenia, and the Macedonians in Macedonia have defined themselves, as any nation in the world defines itself. Here, the Croat nation is sovereign, while for the Serbs in Croatia all the rights of a special national community are recognized, together with civil and national rights according to the highest world standards. We also adopted our constitutional law in concordance with European experts. There are new world circumstances. Nations are becoming sovereign, but the world also requires that national and ethnic communities be accorded full rights. In this regard, it must be remembered that in some states, under customary and international law, where there is a nation accounting for less than 20 percent of the population, it is not even treated as a special national minority that must be guaranteed special rights. But nevertheless, today it is accepted that one should no longer look only at percentages, but rather guarantee all national rights regardless of how many of them there are. This is exactly the approach that Croatia has taken. It is impossible to continue demanding that the approximately 8 percent Serbs, who came here due to a confluence of historical circumstances, be sovereign in the Croatian state, because that is not accepted anywhere in the world. We must free ourselves of this notion, and if we were not to proceed in this way, then we would also provide the basis for a more abiding continuation of Croat extremism, which would not reconcile itself with that approach."

We Must Be Realistic

"This means that we must act in the spirit of world conceptions, and in that spirit you cannot ask that Serbs in Croatia be given that which the international community will not ask that Albanians, Hungarians, Croats, etc. in Serbia be given. In this sense, we must be realistic. From the Croat point of view, we must ensure absolutely everything that would permit a normal life for Serbs in Croatia and that satisfies international standards, while representatives of Serbs in Croatia must be aware of this new situation. We must create the preconditions for achieving an end to the war, for achieving a normalization of relations, and not come forward with demands concerning a constituent nation. Given the enormous disproportion between the Croat and Serb nations in Croatia, it is clear that these excessive demands would be to the Serbs' detriment. Then it would be more normal to allow resettlement on a volunteer basis, and not the ethnic cleansing that we have experienced both in Croatia and now in Bosnia-Herzegovina. We have passed a law pardoning everyone who was mobilized by Martic, Babic, etc. I have also enacted a resolution on amnesty, accepted I do not know how many letters of thanks from Serbs, etc."

Voluntary Resettlement

"Accordingly, we for our part are genuinely doing everything, but it must be realized that among the people themselves there has been an emergence not only of mistrust, but also of hatred, which is hard to overcome. We must make efforts to see to it that this does not provoke even greater evils. There are historical trends and concrete situations of which we must be aware. And as I wrote 20 years ago, we must create the conditions for Scandinavizing the Balkans. Sweden, Finland, Norway, and Denmark butchered each other in similar fashion all the way up to the beginning of this century, until they fixed their mutual boundaries and became sovereign, and today it is unimportant whether some Swede remained in Finland or Norway, etc. Accordingly, I have advocated and today I continue to advocate an overall resolution of Croat-Serb relations between an independent Serbia and Croatia, meaning that the problem of Albanians, Croats, and Hungarians be resolved within Serbia, while the problem of Serbs and Italians be resolved similarly within Croatia...."

President Tudjman also said that "in one of the agreements it was said that in the definitive normalization of Serb-Croat relations provisions must be made for the voluntary resettlement of the population. This means that those extremists in Knin who cannot reconcile themselves with Croatia being their homeland can move elsewhere. Thus far, around 35,000—some say even 40,000—Croats have been resettled from Kosovo and Syrmia, or rather they have been forcibly expelled."

The meeting between the president of the republic and the delegation of prominent Serbs showed that there exists mutual good will in the effort to set up Croatia to the satisfaction of Croats and Serbs. Despite this, as long as Zadar and Sibenik are under siege, it is possible only to talk about Croat-Serb relations, and difficult to actually do anything. And the shells will continue to fall until those whom Milosevic put in power fall. As long as Milosevic is there, they will also be there, or others like them. The problem is not the new Croatian Constitution, but rather the Belgrade warmonger.

Situation Deteriorates in UNPA Sector West

93BA1222B Zagreb VJESNIK in Serbo-Croatian 8 Jul 93 p 6

[Article by Darko Baronica: "Resolution 847 and UNPROFOR Sector West: No One To Replace Fisher"]

[Text] *The first year of the UNPROFOR [UN Protection Force] mandate suggested that the mission in Sector West would be one of the most successful ones, but the three*

spring months of the extended mandate have buried these hopes, so that now things are worse than they were.

The extension of the UNPROFOR mandate did not elicit much comment among the people of Pakrac and Lipik. The population of that region is used to its ineffectiveness, which found expression especially during the latest three-month extension. They do not believe that UNPROFOR is capable of solving their problems during the last three "supplemental" months either.

It is frequently heard in this region that it is a fact that over the past three months, just like in the preceding year, UNPROFOR did not carry out any of its main tasks: It did not position itself at the Croatian borders; it did not create a safe situation for the return of all refugees; it did not disarm all military, or better yet, paramilitary formations to the extent that would ensure that terrorism is only a rare phenomenon; it did not make possible the normal flow of goods and people along all means of transport. Indeed, the impression is that UNPROFOR effectiveness during the three spring months has regressed.

Specifically, when the first one-year mandate expired, the extension of the mandate was accompanied by personnel changes. Over the course of April, all "blue helmet" units were changed in Sector West, so that members of the Jordanian, Canadian, Nepalese, and Argentine units were replaced by colleagues from those same countries, but more importantly, the entire command was also changed. Instead of Argentine Gen. Carlos Maria Zabala, the duty of commander was assumed by Jordanian Gen. Kemal Shabshough. More significantly, there had to be a change in UNPROFOR civilian affairs, which had been directed somewhat successfully in Sector West (the opstinas of Pakrac, Daruvar, and Grubisno Polje, and parts of the opstinas of Novska and Nova Gradiska) by Swedish diplomat Gerard Fisher.

His assessment was that UNPA [UN Protected Area] West was one of the most successful overall UN peace missions, because in less than one year it had fully achieved relatively successful demilitarization, meetings between divided families at barriers, visits to homes on the opposite side, and periodical meetings between representatives of civilian structures of the belligerent sides, ranging from humanitarian organizations to various communal institutions to government representatives. These meetings resulted in the extension of the first one-year mandate on 17 February, with the signing of the famous Daruvar Agreement.

Year's Effort Gone

It was precisely on the basis of these results that the public expected that the emphasis during the extension of the mandate would continue to be on the civilian affairs of the mission. But a problem emerged at the very outset. Specifically, UN officials were unable to find a replacement for Fisher, who was agile and outspoken, but successful in terms of results, until the end of April, when the Briton Hugo Ansen arrived at this post straight from the peace mission in Angola. In the meantime, matters in the occupied territory had begun moving in the opposite direction, so that by mid-March, through UNPROFOR mediation, the opposing side was rejecting all further contact with the Pakrac authorities "until instructions from higher authorities arrive." Judging from the current situation, they have not yet arrived. The consequence of this is that UNPROFOR had to return its emphasis to the military domain, pursuing terrorists in the occupied territory and searching, in vain, for arms depots. All this came to a head during the final days of June, when the rebel Serbs once again placed heavy infantry weapons along the demarcation line without hiding this from UNPROFOR, defending this action with the theory of "Ustashi preparations to attack." Thus, in one year (on 22 June 1992, Gen. Zabala announced that UNPROFOR had assumed responsibility for military activities in this protected zone) the situation had returned practically to the beginning, and once again demilitarization was an issue at hand in the occupied territory.

Under such conditions, there is scant possibility for civilian structures. There is no longer even any talk of meetings at the barricades, visits to property on the other side—events that have long filled the world media, because of which the UNPA West has been held up as a model. It is logical that there has also been an end to all the civilian programs worked out through the "Daruvar Agreement," such as the "container program" (the placement of containers in the street between the demarcation lines, where families from both sides of the demarcation line were supposed to live until their houses were rebuilt), the "agricultural program" (the cultivation of farmland on the other side of the demarcation line), and joint work on rebuilding the communal infrastructure.

Only Serbs Returning

There have indeed been shifts in the civilian part of the program, but at some distance from the demarcation line. Specifically, during spring the number of Serb inhabitants who returned to the UNPA continued to rise, so that there are now around 3,500 of them, which is in accordance with UNPROFOR goals. However, the fact that this return has been unidirectional is not in accordance with those goals, because no reports have been heard of even a single Croat returning to the occupied territory. Not even the biggest optimists among the blue helmets are talking about this now before the trained gun barrels.

As UNPROFOR's civilian activities have died down, there has been more work for the police—as well as the military—component of the peace mission. But this part of the mission, at least insofar as it is known to the Croatian public, is also rather futile. Specifically, UNCIVIPOL [UN Civilian Police] managed only to locate two Pakrac residents who were abducted in early May—in a prison in Stara Gradiska, but was unable to

return them to their families in Croatia. Similarly fruitless for now has been the police investigation into the perpetrators of several terrorist acts on the Pozega road, as well as into the numerous explosions that have become more frequent at night in the occupied territory, especially during June.

Recently, UNPROFOR gained a new opportunity. Citizens who live within around 150 km of the demarcation line in Sector West hope that they will finally see concrete results of its stay in Croatia. Because if the UNPA West is the best result of their work, the residents of this region wonder how things could possibly be in other parts.

Djapic Interviewed on Split in HSP

93BA1204A Zagreb VJESNIK in Serbo-Croatian 3 Jul 93 p 4

[Article and interview with Croatian Rights Party vice chairman Ante Djapic, by Andrea Latinovic; place and date not given: "I Do Not Wish To Be HSP Chairman"]

[Text] *Asked what the truth is about the charge that he is "an HDZ [Croatian Democratic Community] agent," Djapic responds: "That is nonsense about which I have no comment."*

Zagreb—Is there really a split in the HSP [Croatian Rights Party], as has been rumored in the political grapevine for some time now? Even at the most recent press conference it appeared increasingly obvious that Dobroslav Paraga and Ante Djapic are parting ways. Does this involve disagreements with respect to the party's political program, or is it in fact a struggle for the post of chairman of the rights party? At one recent press conference Mate Ljubas, a member of the party's presidency, publicly called Ante Djapic a "dissident and conspirator" supported by the "right wing of the HDZ, led by Seks, Vukojevic, Luka Bebic, and Djuro Perica."

Djapic has also been called a conspirator by members of the Croatian Rights Youth [HPM], which is confirmed by the words of its chairman, Vinko Kalinic, expressed at the conference on Friday: "The HPM was the first to demand that Djapic be stripped of all party duties, because through his activities, which are in conflict with the party bylaws and the decisions of the Central Board, he has inflated differences within the party and persuaded officials and members of the HSP—and of the HPM—to act against the highest officials of the party, and even against chairman Paraga himself."

What is the response to all this from Ante Djapic, who at the press conference (at which he was not present) was called the acting vice chairman "who was never even legally elected to that post"? We looked for Djapic in his office at the Croatian Assembly, because in recent months he has spent little time at Starcevic House, while in the room where the press conference was held his picture is not even hanging where it used to be until recently.

"Mate Ljubas's charges that I am an HDZ agent are crazy and ridiculous. I have no comment about that, and he will answer for those charges before the HSP Honor Court. We have initiated disciplinary action against Ljubas, proposing that he be expelled from the party, and we have asked that this be resolved through emergency proceedings," Djapic told us immediately.

Djapic contends that he can be displaced from the post of vice chairman only by the party presidency, and from the post of member of the presidency only by the party assembly. Indeed, he is convinced that the party assembly will remove other members from office, not him.

[Latinovic] Can you tell us why there is talk of a split in the party?

[Djapic] I do not know, but there can be no split as long as there is a quorum of the HSP. The HSP is neither Djapic nor Paraga, we are all equal.

[Latinovic] Several times you have stressed that you have no ambition to be chairman of the HSP, but tell us: Is that really true?

[Djapic] I affirm resolutely and openly that I do not wish to be the chairman of the HSP. The only thing that I desire is that the party's bylaws and program be respected.

[Latinovic] Does that mean that the party's bylaws and program are not being respected right now?

[Djapic] Obviously not, because here you have one member of the presidency, and I am talking about Ljubas, being allowed to say such things about me, as a high-ranking party official. I support respect for legality.

[Latinovic] Are you in touch with Mr. Paraga?

[Djapic] Lately, no. I do not know why.

[Latinovic] But you contend that you are still a member of the HSP. How can a party function if its two leading people do not communicate at all, and practically avoid one another?

[Djapic] This is a conflict between the democratic and the despotic option in the HSP.

[Latinovic] Thus, there is no truth to stories that you are working for the ruling party?

[Djapic] That is utter nonsense about which I have no comment.

[Latinovic] But why are you not present at party conferences? Why do you not go to Starcevic House?

[Djapic] I will not go there as long as the HSP is working in this way. And when I do go, those people who have defamed me will no longer be there.

[Latinovic] How do you think the problem will be solved?

[Djapic] Only by convening a party assembly. The party presidency has instructed all branches to state whether they are in favor convening the second General Party Assembly before the end of the year. If more than 50 percent of the membership is in favor of this, the assembly will be convened. No one has any reason to fear the HSP assembly, and all the stories about me being an HDZ agent are lies, which I do not deserve.

[Latinovic] What is the outcome?

[Djapic] Most of all, I demand respect for my position and function. I think highly of Paraga because of his contribution to the struggle for Croatia, but he must learn to respect his colleagues as well.

[Latinovic] In closing, tell us why it is that "strange" things always happen in the HSP, so that people join and then after a certain time leave the party, which is generally followed by "skirmishing" in the newspapers, on television.... We can recall Kresimir Pavelic, Milan Vukovic (who went to Canada), Marinko Bozic, and finally, Ante Prkacin, about whom both you and Mr. Paraga said that he inflicted enormous damage on the party. Does the conflict within the party not in fact date back to that time?

[Djapic] Why do such people join? Why? Because someone acting arbitrarily forced them on the party, because they joined without being checked out, just like someone wanted. And what did they do in the party? They only hurt it!

Federal

Visa Requirements for Slovenes Introduced

LD1907192893 Belgrade TANJUG in English 1858 GMT 19 Jul 93

[Text] Belgrade, July 19 (TANJUG)—Citizens of the former Yugoslav Republic of Slovenia shall be required to have entry visas for the Federal Republic of Yugoslavia (F.R.Y), Federal Interior Ministry official Dragoljub Kovacevic said on Monday.

The decision was adopted by the federal government on July 1 and took effect last weekend in response to identical measures introduced by Slovenia two months ago, Kovacevic told TANJUG.

The Slovene citizens wishing to come on a private visit to Yugoslavia will be required to submit a personally filled-in visa application form, a valid passport and a notarized letter of invitation from relatives living in the F.R.Y., Kovacevic said.

According to him, a Slovene citizen applying for a transit visa will be required either to present a guarantee by his destination-country that he will be received there, or to present its visa, if required, while a letter by a Yugoslav company or institution will be required for Slovene citizens coming to Yugoslavia on business.

The tax for a one-entry visa issued in F.R.Y. consulates is 37 Deutsche [German] marks, except for holders of diplomatic and official passports, Kovacevic said.

Official on Requirements

LD1907164393 Belgrade TANJUG Domestic Service in Serbo-Croatian 1416 GMT 19 Jul 93

[Text] Belgrade, 19 Jul (TANJUG)—In line with the FRY's decision of 1 July, which came into effect last weekend, citizens of Slovenia are required to be in possession of a visa before entering the FRY, Dragoljub Kovacevic, the head of the Interior Ministry's Department for Aliens, Travel Documents, and Border Affairs, told TANJUG today.

A visa can be obtained at the nearest Yugoslav diplomatic and consular mission (Graz, Vienna, Budapest...), on the basis of reciprocity, under the same conditions that govern the issue to FRY citizens of entry visas for Slovenia, Kovacevic stressed.

Imminent Economic Collapse Predicted

93BA1195E Belgrade NIN in Serbo-Croatian 25 Jun 93 pp 30-31

[Article by Toma Dzadzic: "Like Cockroaches"]

[Text] Those same people who are now lamenting their supposedly low salaries and supposedly excessively high prices because of the shortages and hyperinflation...will in a few months think back nostalgically to these times, when usually the stores have everything except milk, vegetable oil, sugar, flour, and salt. They will be longing for this inflation of 300 to 400 percent a month, for these high pensions and salaries amounting to all of $5 or even $15 a month.... In just a few months, a new age will dawn when the employed will envy the unemployed, because the latter will have the time to wait for hours in line for bread, milk, meat, stockings, rice, shoes, towels, and underpants, requiring ration coupons.

We have learned that last week the government intended to introduce ration coupons or stamps when it adopted the measures for (its own) survival, but did not do so out of fear of the reaction there would be.

And the measures which it did proclaim it adopted more to leave the impression that it was doing something, i.e., to survive, because it is well-known that no favorable benefits will come from this move. There will even be more adverse than favorable consequences because of the freeze of many prices. It is well-known that there will also be fewer products on the market for that reason, because, when prices are frozen, many people find it does not pay to produce them, and the quality will be declining more and more, and when the prices are finally unfrozen, as they inevitably must be, they will rise as though shot from a volcano.

This is the prediction given to NIN by Mladjen Kovacevic, professor at the School of Economics at Belgrade University and also president of the Scientific Society of Yugoslav Economists.

Regardless of what the government does, he says, there are three essential conditions for halting hyperinflation and the insane rise of prices: stopping the war in Bosnia, removal or moderation of the sanctions, and restoration of the economy to health.

People who understand economic developments, such as Prof. Mladjen Kovacevic, have no doubt whatsoever that we will soon experience an economic collapse, but the only question is whether we will be "mated in three moves or five moves," as he put it in chess terms.

Government Inflation

In this same connection, Miroljub Labus, professor of political economy in the School of Law at Belgrade University, remarked that no one is exposing the worst consequence of the economic blockade, and that is that the economy is dying. He believes that there nevertheless is a way out, but the politicians have to find it, because "there is an immediate connection between the view that we will withstand the sanctions and eat roots." We will not actually eat roots, he says, but we will certainly survive with ever greater difficulty until the politicians find a solution, which he also sees in stopping the war in Bosnia, first of all, so that one day they remove the sanctions from us. Although, even if they should remove the sanctions tomorrow, on that everyone agrees, it would take us years to begin to pull out of the present abyss.

The Yugoslav experience, incidentally, is greatly altering world knowledge about the development and consequences of superinflation.

Up to now, that is, whenever inflation exceeded a monthly growth rate of 50 percent anywhere in the world, it automatically passed over into hyperinflation, which soon resulted in monetary chaos, because in the months that followed it would rise in an arithmetic progression—100, 200, 400, 800. And unless it was restrained with radical economic measures, in just about half a year galloping inflation would necessarily cause an explosion of social dissatisfaction, which really would end up in a change of the political system.

In Yugoslavia, however, after inflation "crossed the Rubicon," it actually did rise to 100 and indeed even 200 percent, but then it unexpectedly dropped back to 100, on one occasion, it is said, it even went to 40 percent, and then immediately afterward rose to 180 percent, and the last time—in May—it went to 205 percent.

For Srdjan Bogosavljevic, director of the Institute of the Federal Bureau for Statistics, these arrhythmic oscillations of inflation are an obvious sign that it is under the vigilant eye of the government, i.e., that the government itself is causing hyperinflation to meet its own needs.

At the beginning, a year and a half ago, the Yugoslav state did this, presumably in order to pass the costs of the war onto Slovenia and Croatia (which, of course, gave as good as they got in this monetary ping-pong game), but what now?

On the admission of representatives of the Serbian government themselves, in 1992 alone about $5 billion went to the krajinas in the form of diverse aid.

In any case, having lived a year and a half with this kind of galloping inflation, Yugoslavs have set a world record for the last half century; since World War II, inflation has so far lasted longest in Bolivia—one year. But Bolivian inflation was only a little piece of this present monetary monster of ours, which with the May spurt of 205 percent, if it is annualized, is supposedly running as high as several hundred million percent.

According to the predictions of the experts, inflation in June will be about 300 percent, and on an annual basis that is so large a number that the digits cannot fit on one line on the computer screen.

Strange to say, even though prices of most products overnight rise between 10-fold and 15-fold (not 10 or 15 percent), there is still no social explosion even on the horizon. The reason for that is presumably the fact that nevertheless things are not as black as the pessimists hoped. We are still not eating roots.

Three Rich Men, the Rest Are Poor

For most of the public, it is true, even vegetables have become inaccessible, not to mention fruit. But at the same time, fewer and fewer of them are paying for their utilities, especially their television subscription.

Meat has also become an unattainable luxury for an ever larger number of citizens, while milk on the other hand sells for almost nothing; no matter that you cannot buy it even two minutes after the stores open in the morning because of the low regulated price.

But why worry about meat when people do not even have enough for bread? Even as she types these lines, the typist tells how a few days ago when her daughter-in-law was pulling rolls she had just bought from a bag, a woman ran up and took the rolls and fled. In New Belgrade, someone she knew was coming out of the supermarket, and a woman came up to him and asked him in tears for half a loaf of bread.

Is there any greater humiliation than we have been brought to by this government, which promised us a per capita national income of $10,000?

The statistical picture of our misery is perhaps best gained by realizing that the average monthly pension today can buy no more than a kilogram and a half of meat. And nothing else. Or a basket of cherries and nothing more. The statisticians have calculated that the standard market basket for a family of four costs 10 million dinars a day, and that is already one entire pension. Incidentally, the kind of chaos that prevails on the market is also demonstrated by the datum that just a little doorbell switch costs as much as the average pensioner receives in half a year.

Fortunately, a doorbell is the last thing pensioners need, because hunger does not ring, but knocks on the door, and it is doing so on no fewer than 97 out of every 100 doors in Yugoslavia. That is the number of poor Yugoslavs the sociologists have calculated that there are for the three who are rich.

When hyperinflation became unbearable, and people were already embittered by the ever lower standard of living, the federal government already adopted measures to strengthen the economy when even it itself did not believe in their favorable impact.

WHY would it otherwise freeze 68 PERCENT OF PRODUCERS' PRICES AND 83 PERCENT of retail prices, but not envisage a single penalty for those who do not respect that decision? Only when it was published that immediately after adoption of these measures about 7,000 products were given enormously high new prices did the government issue a mere appeal to participants to roll them back, announcing otherwise stricter penalties; however, no matter how Draconian they are, they will be very quickly "eaten up" by the hyperinflation which is controlled by the government itself.

Is there any benefit, then, in the most recent government measures? As far as that goes, Prof. Miroljub Labus has no illusions. He told NIN: "The government's new measures are its old measures; those are those same

government measures of three months ago with certain small changes in interest rates, and otherwise the high deficit in public expenditure covered from primary note issue is still there. Under such conditions, inflation must be high, and every attempt to control prices will be ineffective."

Salvation in the Gray Economy

At the same time, Professor Labus believes, measures based on controlling income (restricted to a ratio of 3:1) cannot be effective, because even the highest are not enough for minimal subsistence.

Controlling incomes would come down to continuously reducing them, because productivity is falling, which means that even the excessively low incomes are actually too high for the present production.

"It is natural, then, that the government should want to reduce unearned income, but it is not likely it will persist in that effort because of possible stormy reactions from people who when it comes to subsistence are already living on the edge of the abyss or in it."

Asked where the poverty tolerance limit is for people here, even the sociologists have no clear answer except to say that the standard of living has been lowered rather slowly, so that people have become gradually accustomed to ever greater poverty. "Like cockroaches to DDT," as it was put by Dr. Srdjan Bogosavljevic.

Fine, we are already falling into an economic abyss, or we are in it, but what happens now?

Professor Labus sees the way out in a rapid and broad privatization of socialized firms, which would be done on the basis of a voucher system, through distribution of all property to all employees in the form of stock, as has been done in Russia, Poland, Czechoslovakia....

At the same time, Prof. Mladen Kovacevic, if he thought about it, would let the free foreign exchange market purchase foreign currency and sell as much as it liked, just as is the case in Slovenia, Poland, and Hungary. He favors completely free prices of all agricultural products, judging that "the present price policy on milk is an insane policy." Dual exchange rates are also completely nonsensical to Professor Labus. And he has no real explanation as to why this was done except that he assumes that the banks do not want to assume on their own the costs of paying out old foreign exchange savings. This economist is also against privatization of socialized property in the belief that "that would be a fire sale" in this time of hyperinflation and poverty, just as apartments have been purchased for a song.

At the same time, Prof. Mladen Kovacevic favors distribution of petroleum under the present conditions of the embargo, in order to meet society's basic needs. "If anyone manages privately to import petroleum, let him sell it at his own price," he proposes. Professor Kovacevic says that he does not agree with his colleague Ljubomir Madzar, who favors complete liberalization of the price of petroleum "and let it be bought by anyone who can afford it," and the market will regulate that problem in a natural way.

Without going into all that, ordinary people are trying to save their skins from the present inflationary dragon, whose resourcefulness is described in only one of its features by Caslav Ocic, who has a Ph.D. in economics.

"Money is circulating, people are running, they are turning worthless dinars into foreign currency, and then when they need to buy something, they convert again to dinars...but all of this comes down to nothing more than a circulation of paper."

Which is to say that the economy is cutting through the jungle of all our administrative obstacles, but in the end the consumer nevertheless pays the bill.

More and more individuals are going into business. The risks are higher, but so are the earnings. This is actually a parallel, underground, gray, or whatever name you want to give the real economy. It is more vital, Dr. Ocic remarks, and with pronounced elements of a market economy, it can only lead us to capitalism, which is presumably where we are headed, although the government is constantly diverting us onto some other track, some old track, some track "sketched out" much earlier.

Earlier, it was Tito, Bakaric, Kardelj, Ante Markovic...who were to blame for the failed economy, now we are alone. Who are we going to blame now for this economic collapse? Professor Labus wonders, alluding to the communist system for managing the economy and people.

Disputes About Succession Issues

93BA1194C Belgrade NIN in Serbo-Croatian 11 Jun 93 pp 28-29

[Article by Ljubisa Benic: "Reading the Will"]

[Text] Expert commissions of the EC and United Nations have assessed the property of the former SFRY. Nevertheless, the division will not go smoothly. Four republics, Croatia the leader among them, want everything to be done as soon as possible. At the same time, the negotiating team of the FRY is disputing almost everything: the list of property of the former state, the prices put on the various parts, and in general the principle used to draw up the lists of property for division.

The first disputes began late this January. At that time, the delegations in Geneva were delivered the report drawn up for the Conference on the Former SFRY by a team of experts of well-known European firms for assessment of the property of a state. Before those firms began their job, the delegations of the four republics and the FRY agreed that each would declare what it wanted and that it had the right to dispute part of the property list.

The FRY negotiating team insisted on a determination being made as to what is to be divided—that is, a definition of the property of the former federation. The European experts worked for almost a year. The date taken for assessment of the property was 31 December 1990, when they were all still a part of the SFRY.

Six Groups

The property was divided into six groups. The list of war damages—as a seventh group—was not assessed. According to a statement in SLOBODNI TJEDNIK by Bozo Marendic, chief of the Croatian delegation, the total property was assessed at about $100 billion, and total debts at approximately 36 billion. The most valuable item was military property—no less than three-fourths of the assessment.

Commenting on this, a member of our team has observed: "Are we going to accept an assessment in which an ordinary military teletype is worth more than $400,000?!"

Bozo Marendic says: "In the military property group in Brussels, it was envisaged that each inheritor-country would have one expert in the discussion, but they brought six to seven of their own, generals and so on, and they tried to annul the assessment. They did not, of course, succeed."

According to the report, the property of the federal government was worth about $1.2 billion. Of this, the property abroad was assessed at $265 million. It is now mainly under control of the FRY.

On the territory of the former SFRY, there are residential buildings, apartments, and garages owned by the federation worth $551 million, as well as office buildings and office space worth $261 million. Office buildings in Belgrade are estimated at $205 million.

Although this was not made public at the last meeting in Geneva in early May, the document assessing the property of the SFRY abroad has already been set apart. According to that document, even the National Bank of Yugoslavia [NBJ] does not have jurisdiction over disposition of the money deposited abroad. They have all but established the percentages by which [words indistinct] and missions. Croatia is thus surmising that it ought not to get less than 25 percent of that property, and it is seeking all 30 percent.

Our delegation is sticking by the assertion that the property of the SFRY is not just the property of the federation, of the army, of the National Bank of Yugoslavia, of the federal government, and of its agencies, and a bit of infrastructure. Bozo Marendic then replies: "Our view implies that the succession should be carried out as soon as possible and that a large division was made among the republics in 1974. After all, since 1974 we have de facto been more a confederation than a federation. The whole political and institutional structure of the former republic was aimed at protecting republic interests, especially financial interests...."

Concerning the proposal of the FRY delegation concerning redefinition of the property of the state, Marendic says that that property should be reduced to the smallest possible degree and that Serbia and Montenegro, "who in principle are against succession, are trying to draw out succession as long as they can. The reason for this is that a large part of the property is in their hands."

From Outside

In any case, the FRY delegation believes that in 1974 federal property was only turned over to the republics for their use. "Transfer of the right of use to the system of social ownership did not mean transfer of property rights in the context of comparative law, and the source of financing of the particular facility still remained the only relevant criterion as to whether a facility should be involved in the process of succession," states the proposal of the FRY delegation sent to the chairman of the group for succession. It is further argued that most of the social property was financed from the public treasury and therefore represents "nothing other than property of the former SFRY." If this proposal should be adopted, the list of property of the former SFRY would be at least tripled.

"If everything is taken that up to now has been financed from joint sources, including the financing of the former Yugoslavia, and the time period is from 1 December 1918, then we are talking about 3 billion marks [DM]. In various stages, funds and the budget were used to finance the center involving immense amounts, but I personally think that this is just their tactic. That is, they want to include in the joint state everything that was created in the period of the former Yugoslavia. Their actual goal is more to confuse and dilute the issue. To make everything seem impossible...," says Mr. Marendic, representative of the Croatian side, interpreting this demand in his own way.

Cochairman David Owen has already called for an arbitration commission of the conference to evaluate the legal principles of the succession. Our delegation immediately interpreted that as an attempt to pass judgment on the redefinition of the concept of state property "from the outside."

Radoje Kontic made a motion that the Badenter Arbitration Commission not have jurisdiction because the participants in the negotiations still had not examined the proposal of the FRY delegation. The FRY delegation is attempting "to safeguard itself against a possible erroneous division of the property." The FRY team sees a clear sign of this danger in the estimate of the International Monetary Fund concerning division of quotas among the former republics. According to a report from last December, the FRY would be entitled to 36.52 percent of the former rights of the SFRY in the IMF. Although the federal government is inclined to accept

that part of credit rights, Prime Minister Kontic is informing the conference that "the precedent made with the IMF must not become a principle in division of the property of the former SFRY."

Now they are all awaiting a new move by the conference. The succession could begin. If it does, the FRY team would according to some reports leave the negotiations in the group for succession.

That could "also" be followed by measures: forcible confiscation of certain diplomatic missions in the world. The days to come will certainly be difficult and painful.

Serbia

NSS Leader Critical of Opposition

93BA1194B Belgrade NIN in Serbo-Croatian 11 Jun 93 pp 18-20

[Interview with Dragan Veselinov, leader of the People's Peasant Party, by Luka Miceta; place and date not given: "Mud in Front of the Assembly"]

[Text] The recent demonstrations and reaction of the forces of the MUP [Ministry of Internal Affairs] in front of the Federal Assembly have unambiguously and transparently indicated the basic relationships between the government and the opposition and, it would seem, still more important, the relationships and ambitions between the opposition parties and their leaders themselves.

Dragan Veselinov, leader of the People's Peasant Party [NSS], spoke to NIN about the "mud in front of the Assembly" as well as about the things which that mud has so far concealed.

[Miceta] In connection with the most recent events in Belgrade, both the government and the opposition have resorted to arguments which defend the innocence of their acts, sometimes even convincingly. What in your opinion is the breakdown between the government and the opposition in responsibility for these disturbances?

[Veselinov] The government lies 95 percent of the time and tells the truth 5 percent, while the opposition lies half the time and tells the truth half the time. Which means that we are nevertheless better. The government is trying to justify its state terror and lawlessness in terms of the displeasure of the mass, which is impermissible. The opposition, conversely, at least some members of it, have been trying to deny its responsibility for the events in front of the Federal Assembly, which is not good. What pains me more is that the events in front of the Federal Assembly have brought all the mud of the opposition to the surface.

[Miceta] In what sense?

[Veselinov] Vanity, horrible vanity, great incompetence, laziness, malicious joy, a miserable tendency to make petty calculations, a readiness to sacrifice others to further its own glory, concealment of cowardice.... There are even some who are just sick. Some will not lift a finger for Vuk, because they are sorry they were not arrested, that the world has not done anything for them and giving greater importance to their name. That tendency to petty calculation in the Belgrade opposition pains me. It can now be seen what a giant Vuk is in it, it has now become evident that Vuk is the backbone of resistance to the regime. Without him, it would all dwindle, they would all be smothered, they would dry up.

[Miceta] And the SPO [Serbian Renewal Movement] is much weaker without him?

[Veselinov] Vuk's organization cannot be run without him and his methods. And his methods are passion, energy, stubbornness, romanticism, heroic infantilism, immense boldness which few have the courage for. The SPO must be run with strength, by challenging authority and the government, with great boldness. Only Vuk can do that.

[Miceta] What you have said characterizes to a great extent a party that is nevertheless populist.

[Veselinov] Of course, that is clear. It is another question whether that kind of political organization is necessary and what its future is. But the fact is that in the hallucinating times of great nationalistic hysteria, quasi-wartime patriotism, people's painful experience, the madness resulting from great misfortunes and disasters, in such an atmosphere it would be a great pity to lose the SPO. After all, in this entire chaotic situation the SPO has been quite resourceful because many temperature states of the people are the internal state of that organization itself, and it understands them. It is a pity that Vuk was arrested. Now that Milosevic has taken hold of it and seen what kind of a weed the Belgrade opposition is, he will insist that Vuk stay in prison as long as possible.

[Miceta] The government often uses the argument that nowhere in the world can a parliament be entered by force, that everywhere in the world the parliament is protected as a national symbol, and so on, which is, of course, true. However, how do those arguments appear to you in our system of coordinates?

[Veselinov] That does not mean anything. This can happen everywhere in the world. In many states, presidents have been killed, deputies have been killed, political opponents have been liquidated.... But that was built there over hundreds of years, as is the case, for example, in the English parliament, and there is a humorous note in that, a form of fine cynicism and cultured humor. In our country, this is all very crude, offensive, and humiliating. In the final analysis, that is not even important. It is important that it happened in our country and it is important what we do to avoid it in the future.

[Miceta] How do you and those like you in their political thinking explain the recent events from the standpoint of your civil option, which is not inclined either to violence or these revolutionary methods, but to a finely tuned political effort?

[Veselinov] That is how it seems today. In any case, those who have favored a law-governed state have known all about resorting to arms on its behalf. There is nothing in liberalism that would object to the rightful use of arms. But to use arms here is senseless because the germs of a civil state were planted long ago in the Serbian people. Today, it would be completely wrong in political terms to attempt to impose a civil system by force. If we were living at the end of the 18th century and if I were in France, I would go for a weapon, just like the French did. That is impossible here. It is not that we lack a Robespierre, but that force would only give the regime new arguments to intensify its lawlessness and tyranny for its own part.

[Miceta] The government is the way it is, and everything is utterly clear in that respect. However, is our opposition actually the problem of our political situation and of our future?

[Veselinov] The opposition will sha[illegible]te of the government. I do not see in Serbia that there will soon be a second wave of the opposition to replace the first one. This first wave of the opposition is working to moderate the disasters of war. The program of the Socialists is the program of our nationalistic opposition. That has been the program through which that opposition was in fact neutralized.

[Miceta] As Mihiz has said, and I paraphrase, Milosevic has taken everything from us, even our nationalism.

[Veselinov] Because the nationalistic, belligerent, and collectivist idea inevitably leads to dictatorship, that kind of opposition ceases to have meaning. Today it will be Draskovic who disappears, tomorrow other leaders of political organizations will disappear, regardless of the fact that they hoped, and they hope even today, that perhaps they will be spared and that the day after tomorrow they will pass through Belgrade in a triumphant military formation, declaring to the entire world and to the Serbian people: We have succeeded, we have conquered 50 km of new territory.

Look at what No. 7 Francuska Street is like today compared to what it was three years ago. Today it is nothing. What is the Serbian Academy of Sciences and Arts today in political terms? Compared to the previous period, the academy represents nothing today. They are all spent. The last nationalist has been brought down—Dobrica Cosic. The last authority who agreed with the war has been brought down, though, it is true, he opposed certain of the extreme things. This means that Milosevic is elevated to the pedestal of omnipotence, he is tearing down everything, he no longer needs any nationalistic authorities at all, no help, he relies exclusively on the police, the army,and the ultraradicalistic groups.

[Miceta] Aside from the opinion that Cosic is to blame for his removal, because his consent to be elected undemocratically made it necessary that he should fall the same way, can it be said that his enthronement did nevertheless give importance to that office, and with his fall has the issue of the standard of a society been brought down to true measure?

[Veselinov] Yes. The nationalistic ethos has broken down with the fall of Dobrica Cosic. The romantic interpretation of Serbian history has been destroyed. Its tragic quality which was such a favorite of Dobrica Cosic in its artificial elucidation and interpretation. The elegance of nationalism has also been destroyed, and its esthetic forms have been destroyed.

Cosic knew very well whose president he was. He knew very well that he was the president of an expanded Serbia, and that is what he wanted. Dobrica Cosic wanted to be [words indistinct] with a saber in one hand and the Constitution in the other pass through the streets of B[illegible]lgrade and say: I created this state—great Serbia.

Milo[illegible] not want to let him do that. Dobrica Cosic did not understand that, blinded with self-love, by his conviction that he is the spiritual Virgil of Serbian expansion and that he is an authority who would sweep away any government. He came up against something which he should have known—political power is stronger than anyone. Especially the kind of authority he supported. He suffered within the confines of his own political group, and his policy will fall with the fall of the Serbian state, which is inevitable. He has been destroyed within that circle before the Serbia he advocated is destroyed. In the end, Dobrica Cosic turned out not great, but small.

[Miceta] One often hears that the debates and membership of our parliament are on a paleolithically low level. Can it be said: The Assembly is what we are?

[Veselinov] I would like it if political anthropology was stronger in our country and was able to better explain the nature of our people. It is my opinion that the political nature of our people is still preindustrial. It is heroical. It is still not ready to grapple with the rules and standards of contemporary civilization. Our people are still afraid of themselves, because they are accustomed to living in collectivities.

[Miceta] To what extent is the criminalization of society the product of the incumbent party, which has facilitated the power, if it can be so put, of kleptocracy, with which it has a causal connection?

[Veselinov] I would be happy if it was only a question of kleptocracy. These are i[illegible]rnational thieves and looters of the people.

[Miceta] Do you think we will soon arrive at a situation where every refusal to participate in the defamation and persecution of socially accredited victims, that is, the opposition, by the regime will automatically be interpreted as an attack on society itself, on the regime?

[Veselinov] Of course. Everyone who has a longer nose than Milosevic will be suspect.

[Miceta] On another topic and in another context Ervin Sinko put a question which I now put to you: Should one be revolutionary in a country where a revolution has been successfully carried out?

[Veselinov] I do not know of any revolutionary party in our society which has in its program an operationalized method of forcibly bringing down the government in order to create a new system. I, of course, am not including here Seselj's gangs and certain other paramilitary formations that exist in this country.

Some of the opposition parties, all those who blew the horns of Jericho to expand the borders from here to Rome or to Chicago, all those parties except Vuk's, will always be trying to get closer to Milosevic than to the criticism of his regime. For them, the purpose of criticism will be to allow them to hold their own in an electorate which until yesterday believed that they were true oppositionists. They will go along with the military-police dictatorship, hoping that it will fall. They will try to rationalize it, just as they wanted to rationalize the war, saying: The war is perhaps not good, but now that it is here, then we should rationalize it. Those parties will go along with Milosevic. Anyone who knows the structure of the Belgrade opposition knows which parties to which I am referring. There are at least two of them.

The division between the parties will be final. What started in 1989, but we were divided even then, has remained almost to this day. It is not accidental that so many parties have come into being in Belgrade.

[Miceta] The iron Feliks Dzerzhinskiy said long ago: An intelligent government makes its own opposition!

[Veselinov] The opposition in Belgrade is generally divided into two currents. One is nationalistic, divided still further internally, including Vuk, who has gradually departed from them, moving to the center, where he has remained, distancing himself at the same time from the left and right wings, and the civil opposition, which had no political place in the military-police dictatorship and in a quasi-patriotic war except as a force for conscience, which it has remained to this day. Along with Vuk Draskovic, it has saved Belgrade's honor.

[Miceta] Do you think that it will also be like that in the future?

[Veselinov] That will be the structure of our opposition even in the future. The nationalists will go along with Milosevic, supposedly in the name of reason, hoping that they will stay out of jail, while the civil opposition will remain pure, taking its losses. We will see who will possess the power in the future. No one will be able to rule Serbia properly from within, power will probably be broken up by regions, by opstinas, by influential groups, and perhaps we will be exposed to external appetites and guardianship.

[Miceta] What might be the political response to such acts of the regime, which is relying on the naked force of repression?

[Veselinov] On the one hand, all legal means should be used, even if it comes to nothing, to accuse the Socialist Party of Serbia and Slobodan Milosevic of abuse of power, of violating the Constitution, and of organizing and committing war crimes.

Milosevic should be taken before a court, even if he kills everyone who advocates this, but the trace must be left that Belgrade officially lodged an indictment against him for violating the Constitution, for lawlessness, and for organizing and committing war crimes.

[Miceta] Will you do this?

[Veselinov] My proposal in establishing the Committee of the Democratic Public for Freeing Vuk Draskovic was this: to file an indictment against Slobodan Milosevic, to file an indictment against Vojislav Seselj, to file an indictment against the SDS [Serbian Democratic Party] and SRS [Serbian Radical Party], and to seek suspension of their operation and dissolution because they have caused enmity in the population, because they have organized a fratricidal war, and because of war crimes. From a political standpoint, the opposition has to this day done nothing for Vuk Draskovic except that some have whined. Far more must be done.

[Miceta] How do you explain, for instance, that Micunovic and the Democrats protested more fiercely when a writer was released in the same shape he was in at the time of admission than when the leader of the largest opposition party was imprisoned and beaten?

[Veselinov] I do not want to talk about the policy of the Democratic Party.

[Miceta] There are several such examples, that is only the most obvious one!

[Veselinov] In a difficult situation, certain politicians look to see which empire they will tilt toward, and when nothing comes of their dreams to be close to the very center of power, to be close to Cosic, thinking that he is the power, seeing an end to every dream of being ambassadors, of being ministers, and so on, then this is hard for them to take, and they cannot favor that thing or that person who is indisputably a greater opposition authority and about whom all the world media are speaking and in whose future destiny the most prestigious names in world politics are interested.

Those who hoped that they were the most reasonable, that they were the most intelligent, that they were the best swimmers, that they could avoid all the reefs and

switch from one current to the other, they have no interest today in getting Vuk Draskovic freed and in supporting him. They do not realize that they have thereby run aground.

[Miceta] And are thereby helping the regime?

[Veselinov] They have swum out of the mainstream, they are today on the shore, and tomorrow they will dry up like stray whales.

[Miceta] Perhaps sardines would be a better word?

[Veselinov] Absolutely.

Program of Association of 'Real Serbs'

93BA1194D Belgrade NIN in Serbo-Croatian 25 Jun 93 p 5

[Advertisement for new members: "Association of Old Settlers of Serbia"]

[Text] **ASSOCIATION OF OLD SETTLERS OF SERBIA**

No. 141 Dimitrija Tucovic, Belgrade, Tel. 418-826

Serbia is being run by obedient new s[illegible] from other republics inherited through the disi[illegible]ion of th SFRY who have behind them no creati[illegible]e work whatsoever that has been applied in practice. With a representation of about 5 percent in Serbia's population, they are running Serbia as though they were untouchable, but the old settlers of Serbia in their state cannot obtain any office at all.

The result of their rule is more than 16,000 dead and more than 27,000 old settlers of Serbia disabled for life, unconstitutionally mobilized for wars outside the territory of Serbia. Serbia has lost its historic friends, sanctions have been instituted against it, it has become the most isolated country with the highest inflation in the world, it has become poorer by about $26 billion and is threatened with bombardment. No country in history has sacrificed so much for the survival of its fellow countrymen outside its borders.

Mineral resources, timber resources, and the livestock population are being exploited without any standards of stewardship, Serbian economic and residential facilities are being purchased for a song, and the foreign exchange reserves of individuals are being plundered by the government through private banks and those of the government. Serbia is thus being led by those for whom Serbia is a back-up homeland.

Of the more than 900,000 refugees in Serbia, more than 240,000 are deserters, while volunteers from Serbia are dying even today to defend their homes. The non-Serbian government has hired some of them for high wages as janissaries and employed them:

- in the police, to monitor the Serbian policemen and study their allegiance to the non-Serbian government;
- in the army, to create a non-Serbian command personnel that would be loyal to Milosevic, the Montenegrin, and Seselj, the Herzegovinian Croat. These officers, who are deserters, are delivering lectures in patriotism to our recruits;
- in the news media, in order to shape public opinion to persuade the old settlers that they are surrounded by enemies and to portray the non-Serbian government as benevolent. That is the thanks we get from our non-Serbian confreres for the casualties we have taken and for allowing them to stay.

The self-confident government is expelling the old settlers who hold office, the new settlers are calling the old settlers traitors and are settling accounts with them physically, and more than 250,000 young people have left Serbia because of the hopelessness.

The police, made up of deserters whose job is to tame Serbia, are suppressing the unrest that has occurred because the old settlers of Serbia are being persecuted by the new settlers.

The old settlers of Serbia comprise more than 90 percent of the population of Serbia and they have that same share in financing the army and the police. The protection [illegible]heir son[illegible]an offer them is irreplaceable. The Asso[illegible] of Old Settlers of Serbia was organized to restore t[illegible]nning of Serbia to the old settlers, because they do not have a back-up state, and they are not running other people's countries.

The objective of the association is to prevent splits among the citizens of Serbia on whatever basis, especially on the basis of party allegiance, and to support them in creation of a civil and law-governed state in which there will be no second-class citizens. This presupposes an independent judiciary, a nonideological army and police run exclusively by personnel who do not have a back-up state, which would guarantee the autonomy of the university, the independence of the trade unions, and the free flow of information, personnel, technology, and capital.

[Signed] Vlajko Popovic, President of the Association

If you would like to join us, fill out the application and send it to our address.

First and last name:
Date and place of birth:
Identity card number:
Address:
Signature:

Opposition Seen Helpless, Divided

93BA1194E Belgrade NIN in Serbo-Croatian 25 Jun 93 p 20

[Article by D. Bujosevic: "Cubura Blues"]

[Text] A few policemen—bulletproof vests, helmets, shields—were beating badly one of those who last Saturday wanted to reach the Central Prison in Belgrade at the corner of Maxim Gorky Street and Red Army Boulevard. There was just one woman shouting to the police to stop.

At that time, on the square in front of Saint Sava Temple, the question heard most frequently was "So where are they...?" "Why haven't they come...?" People were gathered in "bunches" around Nikola Milosevic, Vladan Vasiljevic, Vesna Pesic, Nebojsa Popov.... In one of these "bunches," a nicely dressed lady said with her head thrown back: "Professor, doesn't it seem to you that we have gone back to the time of ancient Greece, when they freely debated everything on city squares?" (Nikola Barovic, the lawyer, would say later that four men who in 14th December Street were shouting "Vuk, Vuk," "Free Vuk," "We are coming for Vuk," "Vuk, Dana,"—were given 20 days in jail for "disrupting public peace and order.")

Those who led the Cubura gathering thought that they had hit the target. Dragan Veselinov: "We have won! We did not want to organize a rally.... The regime has nothing against a rally, because then the people let off steam and that is where it ends." Nikola Milosevic: "In the context of the open terror, some 15,000 to 20,000 people assembled." Some of them who came to extricate Vuk and Dana reproached Veselinov and the rest by saying that they could have held a "press conference" somewhere else. Observers convinced that there were no more than 3,000 people on the square saw everything as yet another demonstration of the opposition's weakness.

On Saturday, on the square between the monuments of the Leader, the Serbian National Library, and the Church, what was most present was the absence of any of the distinguished figures from the parliamentary parties. Only one fairly well-known person from the SPO [Serbian Renewal Movement], Miroslav Milutinovic, who was saying that all of this was "collective therapy against fear."

It is well-known that the people in the secretariats of certain parties close to the SPO responded to the question of the rank and file as to whether they were attending the rally or not with the inarticulate "We are not the organizers."

"They have always joined us and taken advantage of our organization, our security, our speaking platforms, our sound systems, our people were their audience. We let them see how many they could gather on their own. We are grateful to them for being concerned about Vuk, but let them also see how much power they have," reflected one of the SPO activists.

In all of the parliamentary opposition parties, one could hear the charge that Veselinov and others wanted to make political profit from the wounds of Vuk and Dana. But why should the opposition not capitalize on those beatings? One of Vuk's followers said that he told Draskovic that the SPO leader was doing more for the opposition with one day spent in prison than 10 days outside. "Vuk said nothing and plucked at his beard."

The sociologist Mirjana Markovic remarked on a program of Studio B that in Pozaravac, and it can also be said in Serbia, few things succeed as well as a high position in the government. So it seems to have been, above all, the letters of Mitsotakis, Mitterrand, Hurd, and Major...300 mayors of French cities, scientists from Great Britain...that are responsible for Danica and Vuk Draskovic having finally been placed under appropriate medical care. Even Milan Komnenic, chairman of the Executive Committee of the SPO, believes that at this point that international aid to Vuk, Danica, and the SPO is the most effective.

Someone might say that it is easy for foreigners, they make no mention of the policeman who was killed. However, this does not hinder oppositionists here from protesting the police terror while at the same time they condemn the act of killing him. Unless the opposition talks about this, Vuk in pretrial custody or the hospital will not "be working" for the opposition, but against it.

Perhaps that is why he plucked at his beard and said nothing.

Commentary on Police Repression in Serbia

93BA1194A Belgrade NIN in Serbo-Croatian 11 Jun 93 p 9

[Article by Dusan Velickovic: "A Season for Hard Knuckles"]

[Text] Some 10 days ago, when Dobrica Cosic was extracted like a tardy and unnecessary wisdom tooth by a simple and painless operation from the post of president of the FRY, this was a clear sign of the final maturity of the new-old state. In just a bit more than two years, the young multiparty country of Serbia has matured into an authentic undemocratic parliamentary republic. At the same time, the impression that something essentially different is happening in Montenegro is only intensified.

At that point, everything was ready for the real teeth to begin to fly. The classic knockout in the Assembly was the logical extension of the atmosphere in which the just-acquired maturity is being celebrated. It is not hard to imagine the ease with which the fist was used, guided by a mind which a few minutes earlier might have recorded the clear message: The hunt for political opponents has begun.

In the first moment, it seemed that respect for the former athlete would be forthcoming from the boxer-deputy and that the entire event would be described with crystal clarity. However, at almost the same moment his party took his entire case into its own hands and for all

practical purposes forbid him to think independently about the truth and consequences of his act.

It is not a bizarre example, but absolutely paradigmatic. It seems that the key to understanding the repressive democracy which is making it harder and harder for us to breathe lies precisely in the fact that individual responsibility is replaced as a rule by some form of group creation of a smokescreen.

That is the way ensuing events occurred. The demonstrations began, and a young policeman was killed. The unfortunate lad probably did not even have time to understand what a difficult job he had tackled and in what kind of society he was living.

Then Vuk and Danica Draskovic were arrested, and, according to many accounts, subjected to brutal torture. What can hardly ever be seen in present-day Europe even during the time of the military junta in Greece or during the state of war in Poland, took place in Serbia as a routine thing.

The news that the leader of the largest Serbian opposition party had been beaten danced around the world and for the moment has returned as a reaction of two statements exceptionally esteemed in Serbia—Mitterrand and Mitsotakis. The Serbian high-risk policy, which up to now has proven successful so many times, at least as far as holding power is concerned, reached its high point. It seemed that at one and the same moment they became both intoxicated with the hope that just as in the "good old times" they would resume a "happy" life without an opposition and sobered by the warning of unreckonable consequences. The question, then, is whether we want to go hurtling into the dictatorship of a police state or somehow stagger on through the labyrinth of repression and democracy.

The paralyzing effect of fear, anxiety, and confusion was felt in a moment, and not just in the ranks of the opposition, when the political stage was moved to the Central Prison. That anesthetic has still not worn off, but the opposition has begun to get its breath. The government responded to that by finding two victims in its own ranks—the Justice Ministry and the Information Ministry—which on its behalf will try to pull at least some of the chestnuts from the fire. Just as in the best tradition of Orwell's antiutopia, a press release was issued stating that Vuk Draskovic had received "scratches in the form of contusions" and in that condition, probably having injured himself during the demonstrations, had led an armed rebellion.

So, a brief press release took away the right to speak from the police, from the physicians, from the lawyers, and from all those who have on their conscience the truth about the repression that has been condensed in the last 10 days or so, and the most recent tenants of the Central Prison are convicted in advance. Along the way, in the style of commonplace paradoxical confusing of the issue, a good part of the blame has been attributed to "certain tendentious" journalists and the media for which they work.

In any case, the essential thing to understand the moment in which we are living is that individual responsibility and individual conscience have once again been placed under the umbrella of some ministry, some privileged party, or some other form of social power for the moment. This tendency for individual acts to be dissolved into the day-to-day needs of the institution is the result of a high-risk policy that encourages individuals not to think about the consequences of the activity demanded of them.

The chanciness of the high-risk policy lies precisely in the fact that the consequences and victims of the risky moves, whether it is removing the president of the republic or mistreating the leader of the opposition, can never be altogether calculated and foreseen. Although it sounds absurd, one of the biggest victims is the police itself, which is called upon to be brutal to meet the needs of the political moment and not to pay attention to the law. It is hard to imagine that mature professionals in that difficult profession, aside from stray sadists, are happy to be saddled with the role of people who on the one side must put their head in a bag, while on the other they are "covering" the real creators of the repression by the acts they commit.

It is significant that none of all this is happening in Montenegro. It is hard to say whether that republic is on the road of a dangerous separatism, gradual assumption of independence, or acquisition of a new form of statehood. The words of one Montenegrin deputy to the effect that after the events in the Federal Assembly "the issue is raised of the relationship between the two republics in the Federation," certain independent moves in Montenegrin foreign policy, establishment of the Matica Crnogorska Society, and numerous political statements coming from the south of the federal state are for the present only serious warnings.

The only thing that is clear is that Montenegro at this moment is different from Serbia. In Montenegro, there is considerably less extremism, and the Montenegrin deputies have long seemed to be more civilized and subtle politicians even from the first glance. In short, parliamentary life in that republic is obviously taking the opposite course from that in Serbia—toward democracy.

Whether because of the new interpretation of the commonplace about courage, heroism, and the Spartan spirit, or for some other reason, it is in Montenegrin political life that honor and integrity obviously go more to the individual than to the party or ministry. Which accounts for the moderateness and more serious reflection about consequences. The germ of Serbian-Montenegrin political differences should be sought in that small detail. Along with responsibility for what could happen in the future.

Macedonia

UN Commander on Importance of Events in Kosovo

AU2107105693 Tirana ATA in English 1024 GMT 21 Jul 93

[We must follow the events in Kosova UN troops commander in Macedonia declares—ATA headline]

[Text] Tirana, July 21 (ATA)—It is important to follow the events in Kosova, because if conflict breaks out there, many Albanian refugees will run away from Macedonia, UN troop commander in Macedonia, Mark Phomsen [as received] declared in an interview with FLAKA E VELLAZERIMIT in Skopje. Anyhow, the arrival in time of these troops in Macedonia contributed to the prevention of the conflict, General Phomsen declared. He said that he expected the goal of the UN coming missions is to prevent war [as received]. Consequently the eventual stationing of these forces in Kosova is welcome.

Montenegro

Possible DPS, SPS Unification Viewed

AU2007070793 Belgrade NIN in Serbo-Croatian 9 Jul 93 pp 25, 26

[Zeljko Ivanovic Aim commentary: "There Will Be (No) Unification"]

[Text] Even though the recent meeting of the ruling parties of Serbia and Montenegro was conceived by its initiator (the Socialist Party of Serbia [SPS]) in order to demonstrate the well-known "unity in action" of the Yugoslav Socialists, it only confirmed and emphasized the opposite, that is, the parties' increasingly important differences. These were manifest in the actual approaches to the Podgorica meeting, which later were quite logically reflected in the different interpretations of the course and conclusions of the talks.

The Serbian Socialists obviously flew in to Podgorica with the task of persuading their Montenegrin brothers of the inevitability of "unification," while the hosts approached the meeting as "one in a string" of meetings they have been having recently with representatives of the parliamentary parties in the Federal Assembly. Thus, the team of the Democratic Party of Socialists [DPS] put the focus of the game on parliamentary terrain, while, according to the testimony of Svetozar Marovic, DPS general secretary, "Milosevic's people" primarily stressed some party issues. Journalists, unaware of these previous occurrences, were therefore surprised when at the news conference called during the talks, there was a "disagreement" between the general secretaries of the two parties, Minic and Marovic, because of the "excessively harsh terminology" of the former who, in speaking about the furthering of relations between the parties, mentioned the word "unification." The quarrel did not stop at that, but has smoldered on until today—the SPS is persistently repeating that it will unite with the DPS, while the DPS is responding no less persistently by saying that "nothing will come of unification."

Thus, the statement made by Milomir Minic at a news conference in Belgrade the day after the Podgorica talks, to the effect that agreement had been reached on the unification of the two parties, was carried by the local (pro-government) POBJEDA on only its fourth page, in a barely noticeable section. In the next day's edition, the newspaper announced on the front page and carried in two columns of the second page a denial of Minic's statement by Zdravko Sturanovic, member of the highest DPS leadership and federal deputy.

The Government and Media Together

At this moment, what is on the agenda is not the adoption of any decision about the unification of the two parties into one, but simply an initiative for specific forms of association of the two left wing parties with the preservation of the individuality and identity of each of the two parties, Sturanovic clearly stated. He added that Minic's claims about an agreement on unification, the name of the party (the Socialist Party), and the formation of a joint committee in order to deal with this business were untrue.

It has become obvious from the numerous statements made by DPS representatives in the last few days that this party's leaders were caught unawares by both the SPS proposal and its aggressiveness in trying to impose it, but they decided to respond to all this with their characteristic policy of retreating, while at the same time keeping their opponent at a polite distance. Thus, no one in the DPS dared to say (what they were obviously thinking) that the SPS idea was inappropriate and not only unacceptable to them but also uninteresting, so that they will surrender everything to the passage of time, as one opposition representative commented in the last edition of NIN, and "blow away" the idea until the end of fall.

The integralist initiative that the SPS sent to the DPS is a logical product of Republic of Serbia's policy. Now that this regime has succeeded in creating an improvized federation, it is trying to completely transform Serbia and Montenegro into its own protected area under the slogan: One area, one keeper, one master—according to Federal Deputy Rade Bojovic, president of the Executive Committee of the Social Democratic Party. He concluded that everything now depends on the DPS—"to endeavor to develop ideal relations with the SPS to the detriment of the vital interests of the citizens of Montenegro or to find the strength to distance itself from the most compromised party in Europe."

Of course, the DPS will not go down either of these two roads because it shuns "radical" moves which could "lead to unpleasantness," but if they are already thinking about these relations, then they are certainly closer to the

second road, the anti-SPS road which often means an "anti-Serbian" road too. This is also confirmed by the "conduct" of leaders of this party and the view of the media as regards this issue, which reveals much more than the official and basically extensive and principled statements by "graduates of the Bulatovic school."

How it looks when forces (the government and media) join together was demonstrated by last Sunday's television newscast which "went out" to the whole of Yugoslavia and which had as a guest (an extremely uncommon practice for the local television station) Milan Gajevic, head of the DPS caucus in the federal parliament. After quite a long introduction, explanation, and justification, Gajevic nevertheless sufficiently clearly stated that this was a question of "the furthering of relations between the two parties," and not of "unification or some definite association." Apart from that, Gajevic, certainly not accidentally, switched the SPS idea to the area of "bilateral cooperation," giving priority to the "furthering of democratic relations," and when it came to party matters, he stressed "membership of the Socialist international." After everything, he devoted most of his appearance—possibly quite by accident—to the Draskovic case, so that in the end it remained unclear whether Gajevic had ignored the (prescribed) subject or whether his task really had been to make as much fun as possible of the "unification proposal" and its initiator.

Precisely this, for the DPS, excessively "fierce response" to the "provocation" from Milosevic creates doubt in the sincerity of the aforementioned reactions and the seriousness of at least what seems to be the latest quarrel between the two ruling parties.

One Minute This, One Minute That

"The SPS and the DPS will be remembered in history for their exceptional skill in retaining power. I would say that their ideology consists of high-level resourcefulness. In their intention to set up an office for cooperation and possible unification they are demonstrating well-known Communist messianic tendencies," Novak Kilibarda, leader of the People's Party, has said. As a fait accompli, they are taking the property they grabbed overnight, the police force that they trained in their own mold, the isolation of the country and the sanctions, and are slowly planning a state in their alleged Yugoslav left-wing harmony. Early elections are inexorably approaching; modified Communist parties are unifying; wheat is being grown for our daily bread; a police academy is being set up in Belgrade; and the "bright future" which began 50 years ago is being extended.

Both this statement by Kilibarda and reactions from the other opposition representatives, above all from the Liberal Alliance, show the disappointment of the Montenegrin parliamentary parties (except for the Radicals) with what they have interpreted as the DPS's U-turn toward the SPS. The opposition's upset is all the greater because in February they agreed with heavy hearts to closer cooperation with the DPS; they entered the government and invested energy and authority in the building of mutual trust, only for the ruling party to now turn its back on them.

"This is the typical unpredictability of the behavior of the DPS, so that so far they have been with the opposition but now they are with the SPS, and who knows who they will be with tomorrow," Kilibarda says.

Even though Kilibarda's comment about the vacillation of "Bulatovic's people" is endorsed by the popular verse—"My Momir, it is not easy for you, one minute this and one minute that"—it seems that the reactions of opposition representatives, to the effect that because of the "blunder of the DPS" they would leave the government, were mainly emotional. Marovic himself says that he met Kilibarda recently and that "his objections concerned quite different issues." Apart from that, the DPS general secretary expressed the hope that "our opposition will motivate their decisions with serious, important, and true reasons."

"The DPS has not united with anyone. DPS does not intend at this time to unite with anyone. The DPS only wants cooperation with the SPS just as it cooperates with the People's Party, the Liberal Alliance, and the other parties because in the existing situation, cooperation and respect and tolerance between parties is definitely what we need," Marovic said.

While this interview was being conducted, a session of the Main Committee of the DPS was being held. The fact that Marovic left the session in order to make a short statement for NIN and the fact that he seemed quite calm and collected in this interview showed that if the problems concerned with relations with the SPS were discussed at that meeting at all, everything was proceeding "in the best way." Even without this, since the last elections, it has become clear that the victorious party has reached a degree of unity and homogeneity which makes it resistant to the most dangerous blows.

In contrast to the preelection situation, or particularly the situation after the "Hague case" [haski slucaj] when there was a clash between the party leadership, the media, deputies, and even the members, this relationship has now been considerably smoothed over. This fact explains the courage being increasingly demonstrated by the DPS toward the "second eye in the head." The SPS seems to be aware of this too, so, after the bad experience with presidential candidate Kostic and several unsuccessful attempts to set up a branch of their party in Montenegro, they are now agreeing to cooperation with the DPS as, according to one member of the SPS Executive Committee and participant in the Podgorica negotiations, "a totally authentic party which has its foundations in Montenegro."

Kosovo

Official Urges Butrus-Ghali To Prevent Outbreak of War

AU2007103393 Tirana ATA in English 1018 GMT 20 Jul 93

[Text] Tirana, July 20 (ATA)—Dr. Fehmi Agani, deputy chairman of the Democratic League of Kosova, sent a letter to U.N. Secretary General Butrus-Ghali. He stresses among the other things that the situation in Kosova is on the verge of explosion, that the Serb population is armed and that there are many military and paramilitary units in Kosova, which arouse panic among the Albanian population. Agani stresses that the war in Kosova warns of the Balkan catastrophy, which would be far worse than the tragedy in Bosnia.

Agani demands from Butrus-Ghali to take urgent action to prevent the outbreak of war in Kosova and what is more important to put Kosova under the UN Security Council control. Agani underlines that only the correct solution of the Albanian issue in former Yugoslavia may guarantee stable peace in this region. Proof to the commitment of the Yugoslav Army in Kosova is the recent second visit of General Panic, to monitor the combat readiness of the army corps of Pristine, which maintains the territory of Kosova under military observation.

Rugova Addresses Increasing Serbian Oppression

AU2007165893 Pristina KOSOVA DAILY REPORT No 142 in English 16 Jul 93

[Unattributed report: "From President Rugova's Press Conference"]

[Text] Speaking to reporters at a press conference today (Friday) in Prishtina, President of the Republic of Kosova Dr. Ibrahim Rugova condemned the mounting Serbian repression against the Albanians in Kosova. A most severe repressive campaign during the week took place in the municipalities of Peja, Decan, and Istog. "Some 250 Albanian families were raided on in the municipality of Decan alone during the last week," said President Rugova, adding that some Albanian inhabited villages at the municipality of Leposaviq were target of the police yesterday.

Oppression of the former Kosova policemen, Albanian political activists and Members of the Kosova parliament has also continued, underscored President Rugova.

Kosova President ripped the newly adopted Law by Serbia stipulating that the radio and television license fee for Serbian Television be paid/charged with the electricity consumption fees. "This is an extreme form of oppression as a basic need—electricity—is conjoined with the financing of disinformation, as the Prishtina Radio and Television has been closed down through the use of force", pointed out President Rugova.

Dr. Rugova called on the Council of Europe to support the Albanian-language press, which is about to extinguish following the Serbian takeover of RILINDJA.

In reference to a statement by President Milosevic of Serbia during a meeting with a delegation of the European Democratic Union, headed by Andreas Kohl, President Rugova said: "Milosevic did not say anything new, but rather reiterated his earlier position on Kosova as an internal affair of Serbia. But one has to bear in mind that Kosova was a constituent part of former Yugoslav federation, and was therefore a federal issue too. Now it (Kosova issue) is an international issue... There is a democratic and pluralist movement in Kosova, as well as its institutions, which have emerged out of the 24 May elections", President Rugova condemned Serbia's allegations on terrorism in Kosova, a propaganda made use of in the recent 12 years. "Serbia wants to conceal its state repression which has been instituted for years now in Kosova", underscored Rugova.

The demands of the people of Kosova are not separatist aims, but demands for determining its own fate and for disassociation with the former Yugoslav federation, part of which (Kosova and the Albanians) were in 1918 and 1945, commented Dr. Rugova.

President Rugova commented also on some recent statements by Greek Prime Minister Konstantine Mitsotakis over Albania and Kosova. "Regrettably, (Greece's) campaign has been lasting for several weeks now, in the form of pressure over Albania and the Albanians in general, in Kosova and the north nobody neglects the Greek minority and its rights in Albania, but one should stress Greek neglect of the existence of an ethnic Albanian community in Greece, who traditionally called Arvanites in Greece, as well as the ethnically cleansed Cameria in 1943-1944. French sources say genocide was committed then. Other parallelism can be drawn likewise. Why should Cyprus with a Greek majority become a state, and not Kosova, which has been problematized by Mitsotakis. We would like to see that Greece behaves like an EC member country, in compliance with its standards," said President Rugova.

President Rugova of the Republic of Kosova hailed the arrival of the American troops to Macedonia within the framework of international troops, as a preventive measure to avert possible conflicts in Kosova and Macedonia. Dr. Rugova reiterated his call for the reinstallment of the CSCE Mission to Kosova, but also "establishment in Kosova of other missions within the UN which would help in averting confrontations."

Kosova President reiterated his call for Kosova to be placed under UN trusteeship and supervision, which would in turn "ensure normalization of the life of all citizens in Kosova."

Serbian Police Raid Homes of Albanian Families

AU2007170493 Pristina KOSOVA DAILY REPORT No 142 in English 16 Jul 93

[Unattributed report: "Serbian Police Storm Two Villages of Leposaviq"]

[Text] As reported, over 100 Serbian policemen were involved Thursday [5 July] morning in an expedition for arms searches at the villages Bistrice and Koshtovac Vllahise of Leposaviq (a Kosova municipality bordering Serbia). At around 4:00 in the morning, heavy police forces beleaguered the Bistrice village and raided some 22 Albanian families. During the raid which lasted for over 5 hours, the Serbian police, with stern brutality, demolished home furniture, maltreated and severely beat up a great number of innocent persons. The offices of LDK branch of this village were raided too, and all documentation seized on the occasion.

Subsequently, the same police expedition "visited" the Koshteve Vllahise village raiding on 31 Albanian homes. Many persons are reported intimidated and beaten including children and women.

Avni and Hazir Bekreshi, Rifat and Ilasan Hasani were taken to the police headquarters in Mitrovica and beaten till fainting.

Serb Police Storm Marketplace in Mitrovica

AU2007165293 Pristina KOSOVA DAILY REPORT No 142 in English 16 Jul 93

[Unattributed report: "Persons Beaten and Robbed by Serbian Police in Mitrovica"]

[Text] As today's Prishtina BUJKU reports, a large number of Albanians was beaten and robbed of their money on Wednesday following a Serbian police clampdown at the Mitrovica marketplace. Some 30 citizens were arrested, the newspaper reports, being held in detention for several hours and later released stripped of their money.

Serb Police Start 'Fierce Campaign' in Malisheve

AU2007151493 Tirana Radio Tirana Network in Albanian 1330 GMT 20 Jul 93

[Text] The Serbian police have started a fierce campaign against the Albanian population in the Malisheve commune. Thus, Albanian former policemen from this commune have recently been targeted. They are being raided under the pretext of searching for weapons.

Thus, in a coordinated action against the families of former policemen in Bumbavec, Kieve, and other places, on 17 July several people were raided and interrogated in Llazhi as well in the Buzhala quarter.

Deputy Raznatovic Pays Visit to Kosovo

93BA1195B Belgrade NIN in Serbo-Croatian 25 Jun 93 pp 25-26

[Article by Dragan Cicic: "They Have It Good in 'Arkan-'sas"]

[Text] Deputy Zeljko "Arkan" Raznatovic rarely visits his constituency in Pristina, people there say, but when he comes, he does it in style. In front of the entrance to the Hotel Grand (it is said: almost in the lobby itself) there were five or six gleaming Mitsubishi Pajero jeeps parked at that time. "If you see only one or two, then that is not Arkan," those familiar with the local scene explain.

Occasionally, a column of jeeps sets out from the hotel along the curvy Kosovo roads. It stops in the villages where Arkan, who aside from his personal camera, almost regularly is escorted by the camera of TV Serbia, makes his ritual visits to stores and taverns. Because shows of power occur here mainly in villages with a majority Albanian population, almost everyone in Kosovo, on both sides of a divided society, are inclined to see them as a provocation.

That is also by and large the thinking of foreign observers, but one of them cautioned: "It is a fact that so far Arkan has not done anything bad to anyone in Kosovo. On the contrary."

And that "on the contrary" signifies a series of events. Raznatovic, who is the deputy of a group of citizens, has more understanding for ordinary people than the official authorities, as he showed with the case of the Montenegrins who left Albania for the territory of the FRY. Government authorities put these people up in Decani, and they wanted at any price to go from there to Montenegro, and Arkan was supposed to convince them to stay where they are in order to change the demographic structure of Kosovo.

These people explained to him, however, that the main reason they left Albania was that for decades they had intermarried until they had all become relatives. They had managed to preserve their national identity, but any further mixing of blood would have serious consequences. "And now we are being asked to settle in a place that it is almost purely Albanian." Mr. Raznatovic examined and accepted their arguments and promised to do everything to make it possible for them to go where they wanted.

On another occasion, Arkan visited a mixed village with an Albanian majority and told the local people with his characteristic directness: "They have it good in the land of Serbia." The peasants complained of the difficult living conditions and gave as an example their lack of a sewer system. As it was told by observers, Mr. Raznatovic concluded that that made no sense, and he told the people to start doing the work immediately; by way of first financial aid, he gave them the 10,000

German marks [DM] which he had with him. He promised that an additional DM40,000 would be coming later.

Weapons

No one even knows how many times this same deputy has shared food with the poor—to be sure, as far as we know, only Serbs. Albanians in any case suspect that fair quantities of food originate with what the police frequently confiscate from private Albanian operators. According to official figures, during this year the financial police in Kosovo have made 10,000 inspections and found that the immense majority of violators of the financial regulations are Albanians. The local authorities estimate that the republic has lost DM6 million through tax evasion and similar things. The Albanians in turn say that they are being fined and their goods taken away regardless of whether there has been a violation or not.

Be that as it may, even if the goods confiscated are the same as what Arkan is distributing, that still does not mean that he did not pay for it. Zoran Stojanovic, assistant secretary for information of Kosovo and Metohija, explained that the police sell the goods they confiscate in their own stores, which means that anyone can buy them, including even Deputy Raznatovic.

In spite of everything, there is no great liking for Arkan in the ranks of the official Serbian authorities in Kosovo. "Arkan does not represent official policy," says Bosko Drobnjak, information secretary of the Autonomous Province of Kosovo and Metohija (official title). "His only connection with Kosovo and Metohija is that he was born in Pristina and drops by here once or twice a month. In any case, we do not need his protection, because the police are in operation here."

What worries the Kosovo Albanians, however, is precisely the way in which the police are in operation here. By contrast with Arkan, who, as far as we know, has so far not threatened anyone, that can hardly be said of the police. Nearly half of the adult Albanians have passed through their hands, and often the consequences are visible to the naked eye. At the same time, by and large the procedure does not seem to differ when investigation of a specific crime is involved or only a routine questioning.

Hisnija Orluri from Krajmirovci near Lipljane was brought into a station last week for questioning. The bewildered blue eyes with the still bluer rings around them, bruises on the shoulders and arms, and the swollen hands indicate that information was sought otherwise than verbally. "Three months ago, they began to demand that my father surrender his weapon," Mr. Orluri said. "They called him into the station several times, but they did not beat him. He told them he had no weapon, and they said that his son would probably be more honest." Orluri, incidentally, is a bachelor, which is a rarity among Kosovo Albanians. "I was told to report to the station the following Thursday, and now I do not know what I will do. We have no weapons, and I am certain that they will not believe us," he says. He is afraid of going to the station again, but it is also hard for him to leave the house and go into hiding, because now he is the only one in the family who is working. He also says that never in the past have either he or his father been suspected or taken into custody, nor have any criminal or political indictments been lodged against them. "We only did our job, we wanted somehow to live with our family, but what are you going to do, they do not let us." Hisnija Orluri gave a frightened smile.

Complaints

Mr. Drobnjak admits that there are not many cases (he is not sure whether there are any) of investigating excessive use of police authority. The main reason, however, according to Mr. Drobnjak, is not that the republic authorities do not want to protect human rights, but that "not a single Albanian has complained to the legal government authorities. Accordingly, we have no basis on which to institute proceedings," he adds.

It is a fact which most Albanians acknowledge that they avoid filing complaints. The main reason is the refusal to recognize the sovereignty of Serbia in Kosovo and Metohija. Under those circumstances, in the interpretation of many Albanian leaders, a complaint to the official authorities of the state could be taken as recognition of their jurisdiction in Kosovo. Another reason, from what Albanians say, is their awareness that it would not do any good and could result in additional harassment. Mr. Orluri says it is "pointless to complain." In the "Human Rights Committee" in Pristina (chairman: Adem Demaci), they say that their experience up to this point confirms that complaints have no effect. They show an example in their records. Hajir Vesel Troli, detained on 5 February of this year on grounds, according to the police report, "of unauthorized collection of money for the alternative movement LDK (DSK) [Democratic Alliance of Kosovo]," left the station with bruises on his right shoulder and shoulder blade and on his right leg, which was described in the finding at the health center. On 9 February, Mr. Troli filed a criminal charge with the Public Prosecutor's Office in Prizren Opstina under, from what he wrote, the "Criminal Code of Serbia," because "there had been a violation of Article 54, Subparagraph 1, and Article 65, Subparagraph 1 (coercion related to the making of a statement), of the Criminal Code of Serbia." Nevertheless, they say at the committee, nothing has been done to this day to find and punish the perpetrators, and they cited a much more drastic case in which the perpetrators were not discovered either.

This was the case of Adem Zeciri, a 37-year-old man who died in prison back in February. According to the official finding of Dr. Suzana Razovic of the Institute for Forensic Medicine in Pristina, the cause of death listed on the form is this: Murder. Zeciri died from a shock caused by the large number of contusions all over his body.